MAURITIUS RESEARCH COUNCIL
INNOVATION FOR TECHNOLOGY

HOW DO MAURITIAN MANAGERS MANAGE?

Final Report

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MAURITIUS RESEARCH COUNCIL

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1.   Introduction

The **Mauritian Institute of Management** (MIM) was established in 1974 to promote the profession of management in both the private and public sectors.

The practice of management is as old as human societies, but it was in the 19th century that education, training, research and development was initiated.

With the work of Taylor, in the early part of the 20th century, in the United States, Management came to be established as a recognised discipline.

In the early stages of its establishment and development, management was considered to have universal principles, applicable to all contexts. American influence in management was very strong and the American approach to management was adopted in many parts of the world. With the work of Hofstede, it became clear that there are cultural dimensions that underpin systems and practices of management.

It is now recognised that management embodies considerable diversity in its philosophy and application. Hence, the development of models of European and Japanese Management. The culture aspect of management is today a subject of research in both developed and developing economies. There are aspects of management that are "culture free" and cut across societies; there are also dimensions, which are "culture bound".

As we progress into the 21st century, the business environment is undergoing dramatic transformations in terms of globalisation, technological innovations, and hyper competition. Managers are under severe pressures to continuously improve their performance and organisational effectiveness.

The law has become more severe; the media is more critical; stakeholders are more demanding in terms of values and norms of management and the need for transparency and accountability is ever-increasing.

Mauritius is evolving in a global context, which is competitive and knowledge driven.

The MIM undertook this project with the kind support of the Mauritius Research Council in order to provide empirical data about the strengths and shortcomings of Mauritian Managers and the challenges facing them. The project will aim at providing a basis for making proposals for improving their competencies and achieving better results in such vital areas like productivity improvements, innovation, change management and diversity management.

An essential dimension of the project focuses on the leadership factor and proposes ways and means of embedding this factor in Mauritian managerial practices.

The overall purpose is to aim at continuous improvement of managerial talents and competences in order to achieve and sustain competitive advantage through high performing Mauritian managers. Since its inception in 1974, the MIM has been very active in promoting the art and science of management in order to identify the dimension of the Mauritian Managers philosophies and practices.

The objectives were identified:

- Establish the profile of Mauritian Managers in relation to age, experience, education and training, designation and gender

- Understand how Mauritian Managers set objectives, priorities and determine current management practices

- Explore the style of management in the private sector, public sector, family businesses, in multinational organisations and in small businesses, etc

- Analyse how managers are adjusting in a global context

- Determine the characteristics that organisations look for in Mauritian Managers.

2. Methodology

The project was first discussed at the regular monthly meetings of the MIM Council in the earlier part of 2004 as a research. The core research team was set up.

The methodology used for this project comprised three main elements:

- Research of appropriate literature to identify existing management style and profile on the international scene

- Design, administration and analysis of a comprehensive questionnaire (Phase I)

- Site visits and interviews of a representative sample of companies that had answered the questionnaire (Phase II).

Detailed information on each element of the methodology is given in the relevant sections of this report.

Survey was conducted. Members of the Mauritius Employers' Federation and the Mauritian Institute of Management were chosen as the target population as they cover all the main sectors of the Mauritian economy.

The core research team was composed of members of the MIM Council who were already occupying key management positions.

3. Overview of Management

"Management is tasks. Management is a discipline, but management is also about people. Every success of management is a manager. Every failure of management is a manager".

<div align="right">

(Peter Drucker, 1977)

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3.1 INTRODUCTION

The business environment is undergoing dramatic transformations. In the face of globalisation, digital revolution, rapid technological innovations, knowledge based economy and hyper competition Managers are under severe pressures to continuously improve their performance, productivity and organisational effectiveness.

Stakeholders are more demanding in terms of values and management norms. The need for good governance, transparency, quality of product or service, cost reduction, job satisfaction, motivation, recognition, responsibility and accountability is ever increasing. Competition is everywhere at national, regional and international level. Media is more and more critical and the law more and more stringent and risk management more and more important in order to succeed.

The profession of Management, which is multidimensional requiring common sense, codified experience and also an organised body of knowledge, is therefore, at an important crossroad and Mauritian Managers make no exception. They have to evolve and adapt to this highly competitive and selective global business village where the right knowledge with the right applications is compulsory.

This project will therefore, provide empirical data about the strengths and shortcomings of Mauritian Managers and the challenges facing them.

It will also provide the basis for making proposals to improve their competencies and achieving better results regarding system thinking, business process management, productivity, innovation, change management etc.

The project will focus on the various qualities that managers within the global environment should have as regard leadership and communication, human values, system orientation, commitment, innovation, ethics and will propose ways and means of embedding these qualities in Mauritian managerial practices.

The overall purpose is to achieve continuous improvement of managerial talents and competencies in order to build and sustain competitive advantages through high performing Mauritian Managers.

3.2 DEFINITIONS OF MANAGEMENT

There is no generally accepted definition of "management" as an activity although the classical definition still held to be that of Henri Fayol. His general statement about management in many ways remains valid after ninety years, and has only been adapted by more recent writers, as shown below:

>*"To manage is to forecast and plan, to organise, to command, to coordinate and to control". (Fayol, 1916)*

"Management is a social process...the process consists of planning, control, coordination and motivation".

(Brech, 1957)

"Managing is an operational process initially best dissected by analysing the managerial functions...The five essential managerial functions are: planning, organising, staffing, directing and leading, and controlling".

(Koontz and O'donnell, 1984)

"Five areas of management constitute the essence of proactive performance in our chaotic world:

- *An obsession with responsiveness to customers*

- *Constant innovation in all areas of the firm*

- *Partnership - the wholesale participation of and gain sharing with all people connected with the organisation*

- *Leadership that loves change (instead of fighting it) and instils and shares an inspiring vision, and*

- *Control by means of simple support systems aimed at measuring the "right stuff" for today's environment" (Peters, 1988).*

The definitions proposed by Brench and Koontz and O'Donnell represent changes of emphasis rather than principle. The term "command", used by Fayol, is dropped in favour of "motivation" (Brench) or "directing and leading" (Koontz & O'Donnell). Tom Peters' view of management, by comparison, shifts the emphasis away from describing what management is about, and stresses what it is that managers need to do.

It has to be recognised that the above definitions are extremely broad. Basically, what it implies is that "management" is a process which enables organisations to set and achieve objectives by planning, organising and controlling their resources, including gaining the commitment of their employees through motivation.

Over the past twenty years, several writers such as Mintzberg have attempted to move away from this generalised approach towards a more detailed and behaviour oriented analysis of what managers actually do.

Mintzberg (1973) for example, in reporting his major study of managerial work, highlights a number of key roles that seem to appear regularly in such work. He describes these roles as "organised sets of behaviours identified with a position", and gathers them into three main groupings as follows:

- Interpersonal Roles

- Informational Roles

- Decisional Roles

Over fifty years back (1955), Drucker put it that management is concerned with the "systematic organisation of economic resources" and its task is to make these resources productive. Management is not an activity that exists in its own right. It is rather a description of a variety of activities carried out by those members of organisations whose role is that of a "*manager*", i.e. someone who either has formal responsibility for the work of one or more persons in the organisation, or who is accountable for specialised advisory duties in support of key management activities. These activities have generally been grouped into four categories:

- Planning

- Organising

- Motivating

- Controlling Activities

These categories describe activities, which indicate broadly what managers do in practice, primarily in terms of their inputs. They apply to supervisory and junior management positions as well as to middle and senior management roles. (Cole, 1996).

3.3 Evolution of Management and Schools of Management Thought

From the very earliest of times people worked to promote greater efficiency in the way things were done. Initially, this was mostly concerned with manual working methods. Improved methods, improved tools and incentives to the workforce were all part of the search for greater productivity. The world of work has changed enormously over time. Conditions, attitudes and expectations that prevailed in the ages before the Industrial Revolution were different from those that developed during this great period of social, technological and economic change.

The same is now true as we moved from a post industrial society into a technological age, an age where the difficulties, dilemmas and opportunities will be no less challenging than in previous times.

The process of management is, indeed, as old as history. Yet, scientific management as we know it today is basically a twentieth century phenomenon. As in some other fields, practice has been far ahead of theory. This is still true in the field of management, contrary to the situation in some of the pure sciences.

In fact, this field has been so devoid of real fundamental work so far, that Herbert A. Simon is the first management theoretician to win the Nobel Prize for Economics in 1978. His contribution itself gives a clue to the difficulty, bordering on impossibility, of real fundamental work in this field concerned with people. To arrive at a correct decision, the manager must have all the information necessary relevant to the various factors and all the time in the world to analyse the same. This is seldom, if ever, the case. Both the information available and the time at the manager's disposal are limited, but he or she must make a decision.

According to Simon, the decision is, therefore, not the optimum one but a "satisfying" one - in effect, a satisfactory compromise under the real conditions prevailing in the management "arena".

There are as many as twelve Schools of Management. However, there are five major schools of management thoughts that are mostly discussed and are still relevant.

TABLE 1

Five Major Schools of Management Thought

MANAGEMENT SCHOOLS	BEGINNING DATES	EMPHASIS
CLASSICAL SCHOOL		Managing workers and organisations more efficiently.
Scientific Management	1880s	
Administrative Management	1940s	
Bureaucratic Management	1920s	
BEHAVIOURAL SCHOOL		Understanding human behaviour in the organisation.
Human Relations	1930s	
Behavioural Science	1950s	
QUANTITATIVE SCHOOL		Increasing quality of managerial decision-making through the application of mathematical and statistical methods.
Management Science	1940s	
Operations Management	1940s	
Management Information Systems	1950s - 1970s	
SYSTEMS SCHOOL	1950s	Understanding the organisation as a system that transforms inputs into outputs while in constant interaction with its environment.
CONTINGENCY SCHOOL	1960s	Applying management principles and processes as dictated by the unique characteristics of each situation.

Classical School of Management

The classical school of thought began around 1900 and continued into the 1920's. Classical management focuses on efficiency and includes scientific, bureaucratic and administrative management.

Scientific Management

The search to improve manufacturing methods in order to produce a superior product or increase profits, is as old as time. Unfortunately, for most of recorded history either few people felt it to be interesting enough to write down in detail or perhaps the innovators preferred secrecy for their own ends. Yet, some early instances have survived.

Walter of Henley's Husbandry (Oschinsky, 1971) is a medieval example of rational thinking and hardheaded experience tied to the problem of estate management. In more modern times the experiences of engineers like Henry Maudslay and William Fairbairn, factory owners such as Ambrose Crowley and Matthew R. Boulton, and the flax spinner, William Marshall have been recorded in sufficient detail to demonstrate clearly their own attachment to progressive methods (Flinn, 1962), (Pole, 1877), (Rimer, 1960) and Roll (1968).

Observers like Adam Smith the economist and Charles Babbage the mathematician (Babbage, 1835) have equally displayed those powers of analysis and observation on which the future developments were to be based.

After the Industrial Revolution, Taylor formalised the principles of scientific management. He considered employees as rational who will make economic choices. Kelvin, the doyen of Victorian scientists, is supposed to have said so. It was this method of measuring and the recording all aspects of life in a way which could give rise to subsequent analysis on rational lines, that constituted the basis of a scientific approach to the whole of society, of which management was a small part.

Although the *production process* was the one that had the most obvious need for this treatment in the latter half of the nineteenth century, it was by no means the only one. *Financial control* and *motivation* seemed to offer some advantages to a rational and scientific approach.

Production Process

In the United Kingdom much of the progressive and innovatory characteristics of the early pioneers had disappeared by the 1870s. Complacency was often enough the rule in the established engineering and textile trades.

Old methods, working in antique organisational structures, remained the general pattern. Craftsmen divided from each other on traditional lines, reinforced by trade societies and operating under the general direction of an overworked foreman, largely controlled the production process regarding both method and volume of output.

The introduction of improved automatic machinery, piecework methods of payment and greater division of labour, with its concomitant of deskilling the craftsmen, was bound to be firmly resisted and only to be achieved slowly and with great bitterness.

In the USA the problem was a different one. The shortage of skilled labour and a shifting, mainly immigrant, work force caused many hold-ups in production. It was into this situation that F. W. Taylor plunged (Copley, 1923; Urwick and Brech, 1956 and Urwick, 1956). Much has been made of his limited beginnings and his rise through all stages to top management in a short time.

In fact, he was from a comparatively wealthy family and always had the intention of purchasing a substantial share of the business in which he took part. If this was perhaps the first occasion on which he and his disciples distorted the true position, it was certainly not the last. Nevertheless, this should not obscure Taylor's substantial contribution to those improvements in work organisation that became the nucleus of that all embracing term "scientific management".

In its fully developed state, it included four elements:

1. The breaking down of all production processes into simple elements and their scrutiny in a methodical way to eliminate unnecessary activities. Each operation was to be such that it could be described accurately in writing

2. The selection of an above average worker to carry out the sequence of operations under expert supervision, and the timing of each of the elements that made up the work cycle

3. The establishment of a differential piecework system based on the observations made in 2 above. Its application in such a way that the faster worker was paid at a higher rate per unit compared to the average, whilst the slowest workers were heavily penalised

4. The enforcement of the system, through functional supervisors who specialised in particular aspects of the process rather than being responsible for a group of men or machines.

Taylor's successes were limited during his life and some of his failures were considerable and well publicised. He himself always firmly stated that his proposals were inseparable, one from another, yet this is precisely what everyone did and accordingly Taylorism first and scientific management afterwards came to be used to justify many partial and hastily cobbled together schemes. They often included exploitative bonus plans prepared by incompetent, hard driven, or unscrupulous employers. Hence, it became a ready and ultimately almost meaningless term of abuse in the protection of legitimate or sectional interests by trade union activists. Today, however, the ideas of scientific management, refined and elaborated, form the basis on which the vast majority of work is organised throughout the developed world (Aitken, 1960).

Scientific management and its principles spread steadily but unspectacularly throughout the USA in the first decade of the 20th century. Apart from Taylor, the main protagonists were C. Barth, H. L. Gantt, and F. Gilbreth (Urwick, 1956). In the United Kingdom, professional magazines had done something to publicise them from 1896 onwards. Taylor's one visit to England was largely unsuccessful.

Progressive firms began to adopt his ideas, often in a piecemeal fashion from 1910 onwards. Perhaps, the most complete installation was at Remold Chain (Manchester) after 1912. This was based on a well-established record of trust between employer and workers, and preceded by careful planning and consultation.

Indeed, the company subsequently developed into joint consultation procedures from these beginnings (Urwick and Brech, 1956 and Urwick, 1956). During the interwar period, the ideas spread comparatively quickly in the USA, with trade unions at first cooperating in the boom 1920s. In the UK the experience was different, as the short post war boom petered out. Such expansion as actually took place was largely through the efforts of the Bedaux Company. The opposition of the trade unions in their efforts to protect their members' jobs is understandable. By 1936 it was being claimed that of the 240 firms operating the system, typical results were productivity rises of 122 percent combined with increases in operator earnings of 18 percent, whilst labour costs fell by 38 percent.

Financial Control

The second aspect of scientific management was that of financial control. In the UK, the ideas of costing had slowly developed before 1900. Among the most significant events was the production of an adequate textbook involving a coherent theory rather than a series of piecemeal applications.

Factory Account by E. Garcke and J. M. Fells (1887) is perhaps the first modern and comprehensive treatment of the subject in Britain. Rather wider in application is *The Commercial Organisation of the Factory* by J. Slater Lewis (1896). This has been greeted as the first true management textbook in the UK, and this was followed by E. T. Elbourne's *Factory Administration and Accounts* (1914).

Elbourne was also to play an important part in the development of munitions factories during the First World War and the costing function in these new organisations was particularly chaotic. His work came to be especially influential in the overall supervision of government contracts. Subsequently, the promotion of more efficient methods became his life work and included the foundation of an Institute of Industrial Administration (the forerunner of the British Institute of Management) in 1919.

Although many in industry shared Elbourne's views, they remained, at least in the UK, in a small minority. Rule of thumb methods and empirical solutions prevailed. These views were as strongly held in education as they were among practising managers.

Yet examples of better methods and more appropriate education were available for all to see, notably in America and Germany. If the Wharton Business School, Harvard Business School, and Massachusetts Institute of Technology were deemed to be inappropriate models for the British milieu, the pioneers needed to do something.

One solution was to form professional bodies. The older ones, mainly non-industrial, were already well established and able to provide examples. The Institute of Cost and Works Accountants (now ICMA) was formed in 1921 and proved to be a lively and effective body. The Institute of Industrial Administration (IIA) has already been mentioned and although moribund for part of its existence it survived in a truncated form, to be metamorphosed in the post Second World War period into the British Institute of Management (BIM).

Functional management organisations for sales, purchasing, and office management all had an embryo existence, although attempts to form a professional body for work-study were abortive.

Bureaucratic Management

It relies on a rational set of structuring guidelines such as rules and procedures, hierarchy and a clear division of labour. Max Weber contributed much to this school of thought.

Administrative Management

Administrative management focuses on the management process and principles of management. It provides a more general theory of management. Administrative management has been criticised as being rigid and inflexible and the validity of the functional approach of management has been questioned. Yet, this school of thought still influences management theory and practice.

The Behavioural School

The behavioural school of management thought developed, in part, because of perceived weaknesses in the assumptions of the classical school. The classical school emphasised efficiency, process, and principles.

Some felt that this emphasis disregarded important aspects of organisational life, particularly as it related to human behaviour. Thus, the behavioural school focused on trying to understand the factors that affect human behaviour at work.

Human Relations

The Hawthorne Experiments began in 1924 and continued through the early 1930s. A variety of researchers participated in the studies, including Clair Turner, Fritz J. Roethlisberger, and Elton Mayo, whose respective books on the studies are perhaps the best known. One of the major conclusions of the Hawthorne studies was that workers' attitudes are associated with productivity. Another was that the workplace is a social system and informal group influence could exert a powerful effect on individual behaviour. A third was that the style of supervision is an important factor in increasing workers' job satisfaction. The studies also found that organisations should take steps to assist employees in adjusting to organisational life by fostering collaborative systems between labour and management. Such conclusions sparked increasing interest in the human element at work; today, the Hawthorne studies are generally credited as the impetus for the human relations school.

According to the human relations school, the manager should possess skills for diagnosing the causes of human behaviour at work, interpersonal communication, and motivating and leading workers. The focus became satisfying worker needs.

If worker needs were satisfied, wisdom held, the workers would in turn be more productive. Thus, the human relations school focuses on issues of communication, leadership, motivation, and group behaviour. The individuals who contributed to the school are too numerous to mention, but some of the best-known contributors include Mary Parker Follett, Chester Barnard, Abraham Maslow, Kurt Lewin, Rensis Likert, and Keith Davis. The human relations school of thought still influences management theory and practice, as contemporary management focuses much attention on human resource management, organisational behaviour, and applied psychology in the workplace.

Behavioural Science

Behavioural science and the study of organisational behaviour emerged in the 1950s and 1960s. The behavioural science school was a natural progression of the human relations movement. It focused on applying conceptual and analytical tools to the problem of understanding and predicting behaviour in the workplace. However, the study of behavioural science and organisational behaviour was also a result of criticism of the human relations approach as simplistic and manipulative in its assumptions about the relationship between worker attitudes and productivity. The study of behavioural science in business schools was given increased credence by the 1959 Gordon and Howell report on higher education, which emphasised the importance to management practitioners of understanding human behaviour.

The behavioural science school has contributed to the study of management through its focus on personality, attitudes, values, motivation, group behaviour, leadership, communication, and conflict, among other issues. Some of the major contributors to this school include Douglas McGregor, Chris Argyris, Frederick Herzberg, Rensis Likert, and Ralph Stogdill, although there are many others.

The Quantitative School

The quantitative school focuses on improving decision making via the application of quantitative techniques. Its roots can be traced back to scientific management.

Management Science and Management Information Systems (MIS)

Management science (also called operational research) uses mathematical and statistical approaches to solve management problems. It developed during World War II as strategists tried to apply scientific knowledge and methods to the complex problems of war. Industry began to apply management science after the war. George Dantzig developed linear programming, an algebraic method to determine the optimal allocation of scarce resources. Other tools used in industry include inventory control theory, goal programming, queuing models, and simulation. The advent of the computer made many management science tools and concepts more practical for industry. Increasingly, management science and management information systems (MIS) are intertwined. MIS focuses on providing needed information to managers in a useful format and at the proper time.

Decision support systems (DSS) attempt to integrate decision models, data, and the decision maker into a system that supports better management decisions.

Production and Operation Management

This school focuses on the operation and control of the production process that transforms resources into finished goods and services. It has its roots in scientific management but became an identifiable area of management study after World War II. It uses many of the tools of management science.

Operations management emphasises productivity and quality of both manufacturing and service organisations. W. Edwards Deming, the Guru of Total Quality Management exerted a tremendous influence in shaping modern ideas about improving productivity and quality.

Major areas of study within operations management include capacity planning, facilities location, facilities layout, materials requirement planning, scheduling, purchasing and inventory control, quality control, computer integrated manufacturing, just-in-time inventory systems, and flexible manufacturing systems.

Systems School

The systems school focuses on understanding the organisation as an open system that transforms inputs into outputs. This school is based on the work of a biologist, Ludwig von Bertalanffy, who believed that a general systems model could be used to unite science. Early contributors to this school included Kenneth Boulding, Richard Johnson, Fremont Kast, and James Rosenzweig.

The systems school began to have a strong impact on management thought in the 1960s as a way of thinking about managing techniques that would allow managers to relate different specialities and parts of the company to one another, as well as to external environmental factors. The systems school focuses on the organisation as a whole, its interaction with the environment, and its need to achieve equilibrium. General systems theory received a great deal of attention in the 1960s, but its influence on management thought has diminished somewhat. It has been criticised as too abstract and too complex.

However, many of the ideas inherent in the systems school formed the basis for the contingency school of management.

Contingency School

The contingency school focuses on applying management principles and processes as dictated by the unique characteristics of each situation. It emphasises that there is no one best way to manage and that it depends on various situational factors, such as the external environment, technology, organisational characteristics, characteristics of the manager, and characteristics of the subordinates. Contingency theorists often implicitly or explicitly criticise the classical school for its emphasis on the universality of management principles; however, most classical writers recognised the need to consider aspects of the situation when applying management principles.

The contingency school originated in the 1960s. It has been applied primarily to management issues such as organisational design, job design, motivation, and leadership style. For example, optimal organisational structure has been theorised to depend upon organisational size, technology, and environmental uncertainty; optimal leadership style, meanwhile, has been theorised to depend upon a variety of factors, including task structure, position power, characteristics of the work group, characteristics of individual subordinates, quality requirements, and problem structure, to name a few. A few of the major contributors to this School of Management thought include Joan Woodward, Paul Lawrence, Jay Lorsch, and Fred Fiedler, among many others.

3.4 Motivation Theories

As early as 1920s, the British Industrial Fatigue Research Board studied the complex issues involved in considering productivity and motivation that were just not being recognised or understood. Later, in the same decade with the Hawthorne experiments Elton Mayo and his Harvard colleagues were able to show that motivation was outside the boundaries of the systematic, logical and rational model of Taylor. This is where the human aspects in management really started.

Traditional theory "X"

This can best be ascribed to Sigmund Freud who was no lover of people, and was far from being optimistic. Theory X assumes that people are lazy; they hate work to the extent that they avoid it; they have no ambition, take no initiative and avoid taking any responsibility; all they want is security, and to get them to do any work, they must be rewarded, coerced, intimidated and punished. This is the so-called "stick and carrot" philosophy of management.

If this theory were valid, managers will have to constantly police their staff, which they cannot trust and who will refuse to cooperate. In such an oppressive and frustrating atmosphere, both for the manager and the managed, there is no possibility of any achievement or any creative work.

Theory "Y" - Douglas McGregor

This is in sharp contrast to theory "X". McGregor believed that people want to learn and that work is their natural activity to the extent that they develop self-discipline and self-development. They see their reward not so much in cash payments as in the freedom to do difficult and challenging work by them. The managers' job is to "dovetail" the human wish for self-development into the organisations need for maximum productive efficiency. The basic objectives of both are therefore met and with imagination and sincerity, the enormous potential can be tapped.

Does it sounds too good to be true? It could be construed; by some, that Theory "Y" management is soft and slack. This is not true and the proof is in the "pudding", for it has already proved its worth in the USA and elsewhere. For best results, the persons must be carefully selected to form a homogeneous group. A good leader of such a group may conveniently be "absent" from group meetings so they can discuss the matters freely and help select and "groom" a new leader. The leader does no longer hanker after power, lets people develop freely, and may even (it is hoped) enjoy watching the development and actualisation of people all by themselves. Everyone and most of the entire organisation gain as a result.

Abraham Maslow

This is a refreshing change from the theory X of Freud, by a fellow psychologist, Abraham Maslow. Maslow totally rejects the dark and dingy Freudian basement and takes us out into the fresh, open, sunny and cheerful atmosphere. He is the main founder of the humanistic school or the third force, which holds that all the good qualities are inherent in people at least at birth although later they are gradually lost.

Maslow's central theme revolves around the meaning and significance of human work and seems to epitomise Voltaire's observation in Candide, "work banishes the three great evils - boredom, vice and poverty". The great sage Yajnavalkya explains in the Brihadaranyaka Upanishad that by good works a man becomes holy, by evil works evil. A man's personality is the sum total of his works and that only his works survive a man at death. This is perhaps the essence of Maslow's hierarchy of needs theory, as it is more commonly know.

Maslow's major works include the standard textbook (in collaboration with Mittlemann), Principles of Abnormal Psychology (1941), a seminal paper, "A Theory of Human Motivation" (1943) and the book, Eupsychian Management (pronounced yew-sigh - keyan) published in 1965. Maslow's theory of human motivation is, in fact, the basis of McGregor's theory "Y" briefly described above. The basic human needs, according to Maslow, are:

Self - actualisation Needs

Esteem Needs

Love Needs

Safety Needs

Physiological Needs

Man's behaviour is seen as dominated by his unsatisfied needs and he is a "perpetually wanting animal", for when one need is satisfied he aspires for the next higher one. This is, therefore, seen as an ongoing activity, in which the man is totally absorbed in order to attain perfection through self-development.

The highest state of self-actualisation is characterised by integrity, responsibility, magnanimity, simplicity and naturalness. Self-actualisers focus on problems external to themselves. His prescription for human salvation is simple, but not easy: "Hard work and total commitment to doing well the job that fate or personal destiny calls you to do, or any important job that "calls for doing".

Maslow has had his share of critics, but he has been able to achieve a refreshing synthesis of divergent and influential philosophies of:

- Marx - Economic and Physical Needs
- Freud - Physical and Love Needs
- Adler - Esteem Needs
- Goldstein – Self - Actualisation

Frederick Herzberg - Hygiene / Motivation Theory

This is based on analysis of the interviews of 200 engineers and accountants in the Pittsburgh area in the USA. According to this theory, people work first and foremost in their own self-enlightened interest, for they are truly happy and mentally healthy through work accomplishment. People's needs are of two types:

- Animal Needs (hygiene factors)
- Supervision
- Interpersonal Relations
- Working Conditions
- Salary
- Human Needs (Motivators)
- Recognition

- Work
- Responsibility
- Advancement

Unsatisfactory hygiene factors can act as de-motivators, but if satisfactory, their motivational effect is limited. The psychology of motivation is quite complex and Herzberg has exploded several myths about motivators such as:

- Shorter Working Week
- Increasing Wages
- Fringe Benefits
- Sensitivity / Human Relations Training
- Communication

As typical examples, saying, "please" to shop floor workers does not motivate them to work hard, and telling them about the performance of the company may even antagonise them more. Hertzberg regards these also as hygiene factors, which, if satisfactory, satisfy animal needs but not human needs.

Chris Argyris

According to Argyris, organisation needs to be redesigned for a fuller utilisation of the most precious resource, the workers, in particular their psychological energy. The pyramidal structure will be relegated to the background, and decisions will be taken by small groups rather than by a single boss. Satisfaction in work will be more valued than material rewards. Work should be restructured in order to enable individuals to develop to the fullest extent. At the same timework will become more meaningful and challenging through self-motivation.

Rensis Likert

Likert identified four different styles of management:

- Exploitative - Authoritative
- Benevolent - Authoritative
- Consultative
- Participative

The participative system was found to be the most effective in that it satisfies the whole range of human needs. Major decisions are taken by groups themselves and these results in achieving high targets and excellent productivity. There is complete trust within the group and the sense of participation leads to a high degree of motivation.

Fred Luthans

Luthans advocates the so-called "contingency approach" on the basis that certain practices work better than others for certain people and certain jobs. As an example, rigid, clearly defined jobs, authoritative leadership and tight controls lead in some cases to high productivity and satisfaction among workers. In some other cases just the opposite seems to work. It is necessary, therefore, to adapt the leadership style to the particular group of workers and the specific job in hand.

Victor Vroom

Vroom's "expectancy theory" is an extension of the "contingency approach". The leadership style should be "tailored" to the particular situation and to the particular group. In some cases it appears best for the boss to decide and in others the group arrives at a consensus. An individual should also be rewarded with what he or she perceives as important rather than what the manager perceives.

For example, one individual may value a salary increase, whereas another may, instead, value promotion. This theory contributes an insight into the study of employee motivation by explaining how individual goals influence individual performance.

We have discussed above only a selection of the motivation theories and thoughts of the various proponents of the human behaviour school of management. Not included here are, among others, the thoughts of:

- Seebohm Rowntree - Labour Participation in Management

- Elton Mayo - The Hawthorne Experiments

- Kurt Lewin - Group Dynamics; Force Field Theory

- David McClelland - Achievement Motivation

- George Humans - The Human Group

- William Whyte - The Organisation Man

In some of the theories and thoughts presented, however, one can see some "glimpses" of the person and how, perhaps, he or she could be motivated. This is rewarding in itself. But, as noted earlier, practice has been ahead of theory in this field; so let us now move to the practical side of management of human behaviour and motivation in the workplace.

(http://accel-team.com/productivity/approaches_02.html)
(http://ollie.dcccd.edu/mgmt1374/book_contents/1overview/management_history/mgmt_history.htm)

3.5 FROM THEORIES TO THE REAL MANAGEMENT WORLD

Influential Management Theorists and the Business World Today

Henri Fayol

According to Henri Fayol, the father of Modern Management or to be more precise administrative management, the 14 "general principles of management" have the universal characteristics of management. However, Management cannot be universal.

Otherwise management skills acquired through education could have been applied worldwide. In this new era, a CEO has to shift from organisation to another and work not only in different fields but also around the globe. And he still practises management.

These principles were applicable in the age of Henri Fayol. At that timework "was a matter of specialisation".

"Among the early thinkers on the subject, Fayol's ideas have probably been the most enduring. At the same time they have been among the most neglected". They developed the five functions of management namely:

- Plan
- Organise
- Command
- Coordinate
- Control

Moreover, Fayol's ideas of "Command and Control" appear at odds with the emphasis that is placed today on employee participation. Yet, in order to function effectively many organisations require a degree of hierarchy and clear lines of command and accountability. Elliott Jaques supported Fayol. According to him management hierarchies are still required.

In practice hierarchy is not necessarily autocratic: it is important to work out the desirable layers of management, and the authority associated with each so that employees know where they stand and can therefore fulfil their potential. Elliot Jaques also highlighted that concepts such as delayering, group objectives and empowerment can lead to confusion and problems due to "an incomplete understanding of where accountability lies". (Robinson 2005).

Frederick Taylor

Unlike Henri Fayol, Frederick Taylor was the problem solver. He introduced the principle of scientific management, which even today, remains strongly influential on many businesses throughout the world. "Taylor's influence is omnipresent: it is his ideas that determine how many burgers McDonald's expects its flippers to flip or how many callers the phone company expects its operators to assist".

According to Peter Drucker, Taylor's thinking was "the most lasting contribution America has made to Western thought since the Federalist Papers". Taylorism is still flourishing.

A manager in the world of work, according to Taylor was a supervisor, a recorder and a reporter who gathers information for decision-making. "Scientific management therefore established the job of management as measurement".

"It was a process driven model of management". Taylor's ideas were compared to re-engineering. James Champy and Michael Hammer in his best-selling *Reengineering the Corporation* gave a definition of engineering as an attempt "to cut down cost, quality, service and speed" in order to improve performance. It has been used as an excuse for reduction of staff. However, overheads in big organisations have not decreased. Lucier and Torsilieri noted that organisations outsource most complex decisions as expert advice will lead to lower cost and hence to achieve better performance.

Scientific management may have run its course. Increased of productivity of manual workers was a challenge in that century. In the 21 century the greatest challenge is the "productivity of knowledge" said Drucker (Crainer, 2003).

According to Taylor the manager had the responsibility for the organisation of work. Whereas workers had to implement what they were told to do. The most efficient way of doing the job should be specified precisely. Workers should be carefully selected, trained and monitored.

Taylor said, "You are not supposed to think. There are other people paid for thinking. There are other people paid for thinking around here. In the past man has been first; in the future the system must be first". An attempt to separate the hand and the brain and to use incentives schemes such as "payment by result" to motivate people is not very encouraging. At that time Frederick Taylor was termed "the enemy of the working man".

Frank and Lillian Gilbreth were the followers of F. Taylor. Their ideas were based on time and motion study, the elimination of waste and the reduction of time spent on work activities. The focus here was the individual unlike Taylor's obsession with control and self-discipline. Lilian Gilbreth wrote about "The Psychology of Management" - "The emphasis in successful management lies on the man, not on the work, that efficiency is best secured by placing the emphasis on the work and modifying the equipment, materials and methods to make the most of the man".

Max Weber

Max Weber is linked with bureaucracy: He describes "bureaucracy" as a rational form of organisation that today exists to a greater or lesser extent in practically every business and public enterprise. According to Weber, the features of bureaucracy is as follows:

- Official functions bounded by rules

- Specialisation – a clear division of labour and an understanding of what is expected, with jobholders having the necessary authority

- A clearly defined hierarchy

- Stable and comprehensive rules

- Impersonality - equality of treatment

- Selection on the basis of qualification, not favouritism

- Full-time paid officials

- A career structure

- Officials detached from ownership of organisation-lessening the possibility of bribery or corruption

- Systematic discipline and control of work.

In his analysis of organisations, Weber identified three basic types of legitimate authority: traditional, charismatic and rational legal authority. It is the latter form of authority, which exists in organisations.

It has often been felt that Weber was an advocate of bureaucracy but unlike Fayol he did not find that bureaucracy is the best form of organisations.

He did approve of the advantages that could be obtained from bureaucracy. He was only interested to explain how rulers legitimately exercised authority. (Robinson, 2005).

Influential Theorists of the 20th Century

Theories developed by Drucker, Hofstede, Mintzberg and Follett still continue to have a major impact.

Peter Drucker considered "management as a discipline that can be taught and must be studied". He stated clearly in his management book *Concept of the Corporation* that management should not be used as a rank or a title.

It is rather "a responsibility and a practice". His five basic principles of management are:

- Setting Objectives
- Organising
- Motivating and Motivating
- Establishing Measurements of Performance, and
- Developing People.

According to him *"The most important contribution management needs to make in the 21st century is to increase the productivity of knowledge work and the knowledge worker"*.

Geert Hofstede noted that management style is practised differently in different countries. This is due to different cultures that prevail. His observations on management are very much relevant in the 21st century.

Henry Mintzberg writes on reality of management. He asserts that managers focus on "current, specific, well defined and non routine" activities. Despite the "complex problems facing many organisations call for reflection and a far sighted perspective." He even said, "there are really no tangible milesposts" where the manager can stop and say, "now my job is finished". "The manager is a person with a perpetual preoccupation".

He lays emphasis on people and relationship within organisations, which he believed to be of great value for a manager in the 21 century.

The theory of Mary Parker Follett is about community, experience and the group, and how these related to the individual and the organisation. A business, she reasoned, is "a microcosm of human society". An organisation is one in which people at all levels should be motivated to work and participate. They should gather their own information, define their own roles and shape their own lives. Organisations are based fundamentally on cooperation and coordination: this is the single unifying principle holding them together.

She advocated "power with rather than "power over" as the key to social progress and business success which did not suit the prevailing mood before, during and after the Second World War, but is much more in tune with recent management thinkers. Henry Mintzberg and Rosabeth Moss Kanter are fans of Follett's approach.

However, many managers adopt the "Machiavellian behaviour" and have been successful. "Machiavellian behaviour is denounced as self seeking and immoral, and the end justifying the means ethos is considered morally wrong". Harold Geneen, CEO of International Telephone and Telegragh) adopted the autocratic style of management. He worked relentlessly and had no time for his personal life. He had the same expectations from his employees.

He was harsh and bullied his executives. He was highly successful. "Some of his sayings resonate closely with Machiavelli's description of how a leader should behave to achieve his ends".

Management therefore can be classified as a political activity. In order to progress further in their career or in their own interest, managers often make use of situations. Most managers find it difficult to admit it and "would prefer to think of themselves as ethical". Fred Luthans, in his research found that successful managers are those (who get promoted) "who spend a lot of time engaged in the political act of networking using their contacts and influences". On the other hand effective managers (those who are perceived as being good at their jobs) spend relatively little time networking. Instead, they put their efforts into communicating and managing people (Robinson 2005).

Motivation Theories and Implications for Managers

There are many competing theories, which attempt to explain the nature of motivation. These theories are all, at least, partially true, and all help to explain the behaviour of certain people at certain times. However, according to Mullins (1993) the search for a generalised theory of motivation at work appears a vain quest.

The usual approach to the study of motivation is through an understanding of internal cognitive processes that is, what people feel and how they think. These different cognitive theories of motivation are usually divided into contrasting approaches: the content theories and the process theories.

Content theories attempt to explain these specific things, which actually motivate the individual at work. It places emphasis on what motivates.

Process theories attempt to identify the relationship among the dynamic variable, which makes up motivation. Process theories place on the actual process of motivation. The major content theories are as follows:

Maslow's Hierarchy of Needs Theory

Maslow points out that a given need must not necessarily be fully satisfied before a subsequent need arises. He suggests a more realistic description is in terms of decreasing percentages of satisfaction along levels of the hierarchy. There is a gradual emergence of a higher level need as lower lesser needs become more satisfied.

There are, however, a number of problems in relating Maslow's theory to the work situation. People like Hall and Nougaim (1968) and Lawler and Suttle (1972) have made a number of studies on Maslow's theory. Some of the problems are that, people do not necessarily satisfy their needs, especially higher level needs, just through the work situation. They satisfy them through other areas of their life as well, e.g. through their social life. There are differences, which mean that people place different values on the same need. Some rewards at work satisfy more than one need.

Despite criticisms and doubts about its limitations Mullins (1993) says "the theory has had a significant impact on management approaches to motivation and the design of organisations to meet individual needs. The hierarchy need model provides a useful base for the evaluation of motivation".

Mc Clelland Achievement Motivation Theory

In his research on the need for achievement, Mc Clelland (1965) found that money did not have a very strong motivating effect on high-need achievers; they were already highly motivated. However, low need achievers did not perform well without financial incentives, but when they were offered money for their work, they performed noticeably better. In his research it does not mean that money is unimportant to high need achievers. Instead, money is a form of feedback and recognition to them.

Mc Clelland (1965) believed that a high need for achievement was essential to entrepreneurial success. In some studies he examined the need for achievement among managers in a number of current societies to show that a high need for achievement was correlated with managerial success and economic activity.

The need for power as defined by Mc Clelland is the need to control others, to influence their behaviour and to be responsible for them. Some psychologists have argued that the need for power is the major goal of all human activity. The ultimate satisfaction for people with a high need for power comes from being able to control environmental forces, including other people.

It is said that individuals who possess a high need for power are characterised by, a desire to influence and direct somebody else, a desire to exercise control over others and a concern maintaining leader follower relations.

Individuals with a high need for power tend to make suggestions, offer their opinions and evaluations more frequently. They also tend to seek positions of leadership in-group activities, they are also verbally fluent, talkative and sometimes argumentative. Mc Clelland says there are two forms of power, personal power and social power. Individuals with social power needs are more concerned with the problems of the organisation and what can be done to facilitate good attainment.

Mc Clelland has argued that the need for social power is the most important determinant of managerial success. Although a high need for achievement may be necessary for entrepreneurial activity, most managerial positions in today's corporate world require managers who have a strong need for social power.

The need for affiliation is defined by Mc Clelland (1965) as a desire to establish and maintain friendly and warm relations with other individuals. In many ways the need for affiliation is similar to Maslow's social needs. Individuals with a high need for affiliation is similar to Maslow's social needs. Individuals with a high need for affiliation possess these characteristics; they have a strong desire for approval and reassurance from others, they have a tendency to conform to the wishes and norms of others when they are pressured by people whose friendships they value and, they have a sincere interest in the feelings of others. Individuals with a high need for affiliation prefer to work with others rather than to work alone.

The implications of affiliation for organisations are that, to the extent that managers can create a cooperative, supportive work environment where positive feedback is tied to task performance, individuals with a high need affiliation tend to be more productive. Individuals with low need for affiliation should be placed in positions allowing them to work fairly independently, since they prefer to work alone.

Herberg's Motivation – Hygiene Theory

According to Herzberg, proper attention to the hygiene factors will tend to prevent dissatisfaction, but does not by itself create a positive attitude or motivation to work.

After study, they found out a variety of work orientation, for example, outdoor or indoor, autonomy, intrinsic aspects, worth whileness of the job, work colleagues, working conditions, promotion as well as economic rewards.

A second criticism concerns methodology. It is claimed that the critical incident method and the description of events giving rise to good or bad feelings influence the results.

Vroom (1964) claims that the two-factor theory was only one of many conclusions that could be drawn from the research.

House and Wignor (1967) draw attention to the influence of individual differences. A given factor may be the cause of job satisfaction for one person but job dissatisfaction for another person, or vice versa. House and Wigdor say that Herzberg theory is an oversimplification of the sources of satisfaction and job satisfaction.

However, in spite of these criticism, "Herzberg theory continues to thrive; partly because for the layman it is easy to understand and seems to be bored on "real life" rather than academic abstractions, and partly because it fits in well with the highly respected ideas of Maslow and Mc Gregor in its emphasis on the positive value of the intrinsic motivating factors" (M. Armstrong 1994)

Finally, the implications of "Herzberg" theory is that if management is to provide motivation then attention must be given not only to hygiene factors but also to the motivating factors.

The ERG theory states (Mullins, 1994) "an individual is motivated to satisfy one or more basic sets of needs. Therefore, if a person's needs at a particular level are blocked then attention should be focused on the satisfaction of needs at the other levels". For example, if a subordinate's growth needs are blocked because the job does not allow sufficient opportunity for personal development then the manager should attempt to provide greater opportunities for the subordinate to satisfy existence and relatedness needs.

Mc Gregor Theory X and Theory Y

"The central principle of theory X is direction and control through a centralised system of organisation and the exercise of authority". (Mullins - 1993).

According to Mc Gregor the carrot and stick theory of motivation which goes along with Theory X works reasonably well under certain circumstances but does not work at all once man has reached an adequate subsistence level and is motivated primarily by higher needs. He says, that when the nature of the job itself offers little intrinsic reward or limited opportunities to satisfy higher level needs, a more dictatorial style of management might work best. With these types of jobs a theory X approach may be needed if an adequate level of performance is to be maintained.

Mc Gregor who implies that a Theory Y approach is the best way to elicit co-operation from members of an organisation. It is the task of management to create the conditions in which individuals may satisfy their motivational needs, and in which they achieve their own goals through meeting the goals of the organisation.

However, he says that there is many staff that do not wish to accept responsibility at work, whatever the nature of their job. They seem to prefer and respond better to a more directed and controlled style of management.

Mc Gregor theory X & Y is more a manager's attitude towards people than a motivation theory.

Process theories emphases on the psychological processes or forces, which affect motivation, as well as on basic needs. It attempts to identify the relationships among the dynamic variables, which make up motivation. According to M. Armstrong (1994) "process theory can be more useful to managers than needs theory because it provides better guidance on motivation techniques".

The Expectancy Theory

According to Porter & Lowler (1968) expectancy model goes beyond motivational force and considers performance as a whole. They point out that effort expended does not lead directly to performance. It depends also on the individual abilities and traits and by the person's role perception. Porter & Lowler see motivation, satisfaction and performance as separate variables.

From the management point of view this motivation theory (M. Armstrong, 1994) "is only likely to work when a clearly perceived and usable relationship exits between performance and outcome, and the outcome is seen as a means of satisfying needs. This explains why extrinsic motivation for example, an incentive or bonus scheme works only if the link between effort and rewards is clear and the value of the reward is worth the effort. It also explains why intrinsic motivation arising from the work itself can be more powerful that extrinsic motivation. Intrinsic motivation outcomes are more under the control of the individual".

Differences of Motivation Practices among Cultures

Managers must be very careful to consider the different cultures of people when looking at or applying the numerous theories of motivation.

According to Steers & Porter, (1991) motivation is culture bound. They say that most motivation theories in use today were developed in the USA by Americans and about Americans. Of those, which were not, many have been strongly influenced by American theoretical work. American's strong emphasis on individualism has led to the expectancy and equity theories of motivation, theories that emphasise rational, individual thought as the primary basis of human behaviour.

Geert Hofstede (1980) for example suggests that Maslow's theory does not hold for workers outside of the USA. He says that countries high on uncertainty avoidance e.g. Japan and Greece, as compared with lower uncertainty avoidance countries e.g. USA, securities motivates most workers more strongly than does self-actualisation. More workers in high uncertainty avoidance countries consider job security and lifetime employment as more important than a very interesting or challenging job.

Numerous research studies testing Maslow's hierarchy demonstrate similar but not identical rank ordering of needs across cultures example, Jaggi, (1979) or Stephens, Kedia, Ezell (1979) or Williams Whyte, Green, (1966).

Testing Herzberg theory, Hofstede (1980) again points out that culture influence factors that motivate and demotivate behaviour. Herzberg theory failed in New Zealand to replicate in USA. In New Zealand, supervision and interpersonal relationships appear to contribute significantly to satisfaction and not merely to reducing dissatisfaction. (Hines G. H. 1973).

3.6. THE GROWING IMPORTANCE OF LEADERSHIP FOR MANAGERS

Social science investigation over the last thirty years has produced many explanations of the leadership phenomenon. Leadership is defined by Cole (1996), as "a dynamic process in a group whereby one individual influences the others to contribute voluntarily to the achievement of group tasks in a given situation".

Cole described the most important types of leader:

- The Charismatic leader, who gains influence mainly from strength of personality

- The Traditional leader, whose position is assured by birth

- The Situational leader, whose influence can only be effective by being in the right place at the right time

- The Appointed leader, whose influence arises directly out of his position. This is the bureaucratic type of leadership, where legitimate power springs from the nature and scope of the position within the hierarchy

- The Functional leader, who secures their leadership position by what he or she does, rather than by what they are.

For the purpose of this study it seems appropriate to go deeper into Functional, or Action-Centered Leadership.

According to Professor John Adair leadership is more a question of appropriate behaviour than of personality or of being in the right place at the right time. Adair's model of leadership incorporates the concern for task and concern for people.

The functional model, however, distinguishes the concern for individuals from the concern for groups and it stresses that effective leadership lies in what the leader does to meet the needs of task, group and individuals.

This takes the functional model nearer to the contingency approaches of modern theorists, whose concern is with the variety of factors-task, people and situation-which have a direct bearing on leadership and leadership styles.

TOTAL
SITUATION

Task
Needs

Group
Needs

Individual
Needs

Functional Model of Leadership

The key features of the functional model can be summarised as follows:

- Task, Group and Individual Needs are fulfilled in the context of a total leadership situation. The circumstances of each situation affect the priority, which attaches to each area of needs. An effective leader is one who is aware of these priorities and who can act in accordance with them

- Task functions, directed towards task needs, include activities such as the setting of objectives, the planning of tasks, the allocation of responsibilities and the setting of appropriate standards of performance

- Group maintenance functions, directed towards group needs; include activities such as teambuilding and motivation, communication, discipline, and acting as group representative to others outside the boundaries of the unit

- Individual maintenance functions, directed towards the needs of individuals, include activities such as coaching, counselling, motivation and development.

Adair's concept of leadership is basically a contingency theory of leadership. It stresses that the leader's behaviour in relation to task, group and individual needs has to be related to the overall situation and therefore has to be adaptive.

Many theories of leadership are concerned with managerial influence, and the terms "leadership" and "management" are sometimes used interchangeably. Leadership is a force that creates a capacity among a group of people to do something that is different or better. This could be reflected in a more creative outcome or a higher level of performance. In essence, leadership is an agency of change, and could entail inspiring others to do more than they would otherwise have done, or were doing. By contrast, management is a force more preoccupied with planning, coordinating, supervising and controlling routine activity, which of course can be done in an inspired way. Managerial leadership could be viewed as an integral part of the managerial role. (McKenna, 1991).

Drucker says that good managers make ordinary people do extraordinary things. In fact, many managers are now required to be good leaders. Leadership inspires people, creates team spirit and commitment to the organisation and shows the way.

To survive firms must now adapt to their environment. Since the past two decades the evolving pace of our world has significantly increased. The globalisation process coupled with the advances in the field of information and communication technologies has completely overwhelmed our world. Organisations must be more responsive at every level, change-friendly and thus abandon top-down management style. Employees must be given more responsibilities. In this context, firms do need people who will be able to influence, to persuade, to motivate even though it is also important to continue planning, coordinating, supervising and maintaining control.

Leadership Styles

In 1968 Lowin studied two of leadership styles in an organisational setting: the ideal autocratic style and the democratic style.

In the autocratic model there was a remarkable absence of credit for suggestions emanating from subordinates and a lack of formal recognition of the efforts of subordinates.

The subordinates did not have the opportunity to participate in decision-making process and therefore was deprived of feedback that could contribute to a useful learning experience. All of these left the subordinates little motivation to contribute beyond what was minimally expected.

Whereas under the ideal democratic style participation is more frequent and constructive. Managers were more prepared to discuss relevant issues with subordinates and respected their suggestions, which were evaluated. Subordinates were given feedback. This is believed to contribute to a desirable level of motivation and to promote the quality of future suggestions. It also leads to greater involvement and contribution to high performance standards.

TABLE 2

Leadership - Ideal Behaviour Styles

AUTOCRATIC STYLE	DEMOCRATIC STYLE
Direction / obedience	Open communication / positive attitudes
Close supervision	Frequent and constructive dialogue
Control and accountability	Evaluation of suggestions / availability of feedback
Absence of participation and feedback	Consensus, rather than coercion / compromise
Subordinates are poorly informed	Self-direction / self control
Absence of credit for suggestions	Atmosphere that permits emotional expression
Minimum level of motivation	• Conflict is confronted • Group-based problem solving • Influence (based on technical expertise) • Personal / organisation goal congruence

Managerial - Ideal Behaviours Styles

Source: E. McKenna" Business Psychology and Organisational Behaviour": Erlbaum pub (1994)

Likert expanded the notion of two extreme leadership styles "autocratic" and "democratic" by including two intermediary styles making it four styles, so as to capture the management culture of an organisation: Exploitative authoritative, benevolent, authoritative, consultative and participative.
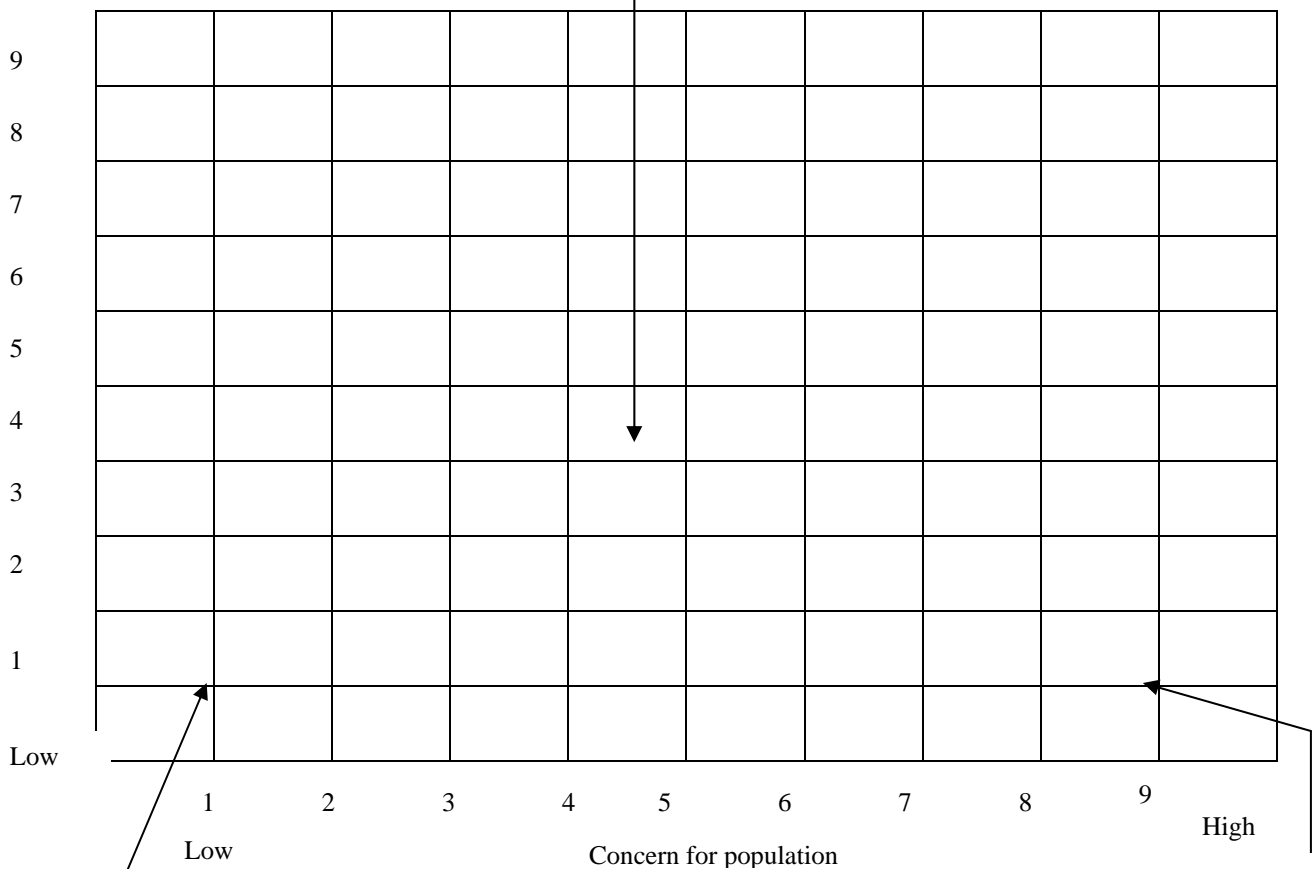
Mouton and Blake (1985) developed another approach to depicting different leadership styles. In this approach of leadership style, concern for people and production are treated as separate dimensions. The horizontal dimension of the grid represents the leader's concern for production and the vertical dimension represents his concern for people.

5.5: Adequate organisation performance is possible through balancing the necessity to get out of the work with maintaining morale of people at a satisfactory level.

1.9 (Country club mangement): thoughtful attention to needs of people for satisfying relationships leads to a comfortable friendly organisation atmosphere and work tempo.

9.9 (Team management): work accomplishment is from committed people: independence through a "common stake" to relationships of trust and respect.

High

9

8

7

6

5

4

3

2

1

Low

| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 |

Low

Concern for population

High

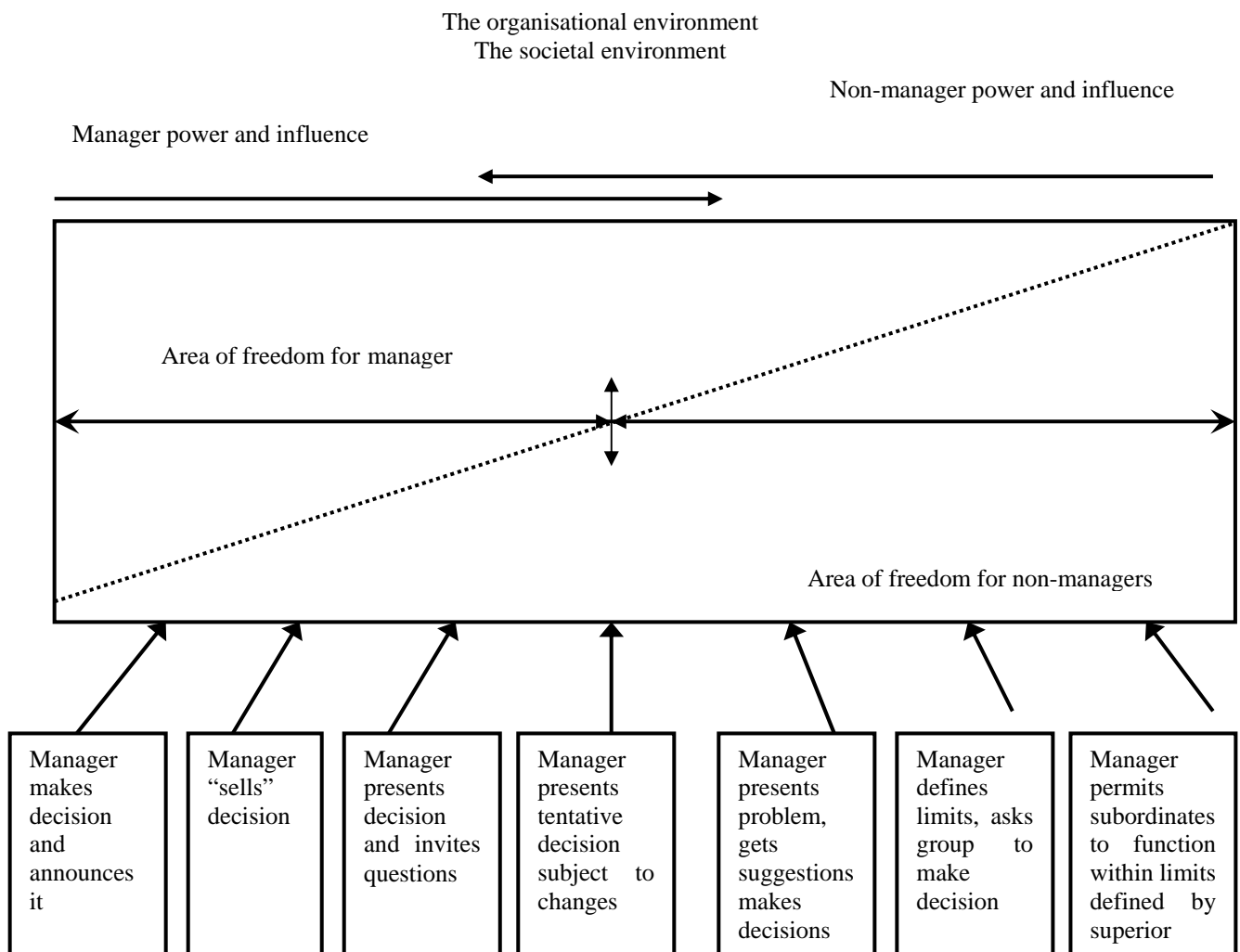*9.1* (Task Management): efficiency in operations results from arranging conditions of work in such way that human elements interface to a minimum degree.

1.1: Exertion of minimum effort to get required work done is appropriate to sustain organisation membership.

The Managerial Grid
Source: Blake R. and Mouton J. (1985)

In this managerial grid the individual can score anything between the maximum number (9,9) and the minimum number (1,1) on either dimension. The recommended position being the coordinates 9,9.

Tannenbaum and Schidt (1973) proposed the theory of continuum of leadership behaviour. The continuum with an autocratic style on the left hand side, a democratic style on the right hand-side and varying degrees of influence in between.

The organisational environment
The societal environment

Non-manager power and influence

Manager power and influence

Area of freedom for manager

Area of freedom for non-managers

| Manager makes decision and announces it | Manager "sells" decision | Manager presents decision and invites questions | Manager presents tentative decision subject to changes | Manager presents problem, gets suggestions makes decisions | Manager defines limits, asks group to make decision | Manager permits subordinates to function within limits defined by superior |

The Leadership Continuum
Source: Tannebaum R. and Schmidt W., HBR May – June (1973)

The arrows indicate the continual flow of interdependent influence. Tannenbaum and Schmidht associate a subordinate centred style with the achievement of the following common objectives shared by managers:

- To raise the level of employee motivation

- To increase the capacity of subordinates to accept change: to improve the quality of change

- To develop teamwork and morale

- To foster the development of employees.

This theory also considers the situation in which leadership style operates. Situational factors that determine the leader's choice of leadership style are forces in the manager, forces in the subordinates, and forces in the situation. The idea of a mixture of influences (autocratic and democratic) is probably closer to the style of most managers. One of the important facets of this model is that it suggests interdependence between managers and subordinates.

It seems that the leadership style must be determined by the situation we are faced with. There is not a one size fits all leadership style. Each situation requires a different approach.

Leaders v/s Managers

"More than knowledge, leaders need character. Values and ethics are vitally important. The basics of leadership can be taught. What is desperately needed is more responsible leadership - a new ethic to confront the challenges our day"

Oscar Arias

Leaders think differently from managers. They have different personal history. They are not only motivated in a different way but they also think and act differently.

They "must develop fresh approaches to long standing problems and open issues to new options. Leaders take high risks decisions. Every leader has a personal style of leadership and adopts a different style of leadership to deal with different situation. Successful leaders have a high degree of "emotional intelligence" in common.

Such intelligence includes self-awareness, self-regulation, motivation, empathy and social skill. "IQ and technical skill" are essential but they are "threshold capabilities".

"Emotional intelligence is the sine qua non of leadership", without it one cannot become a great leader. (Goleman, 2003).

Distinctions between leaders and managers have always been in existence. "Managers are said to be people who do things right and leaders are people who do the right thing." (Watanabe, 2003). Managers and leaders hold different perceptions from leaders. Managers "embrace process, seek stability and control." On the other hand, leaders "tolerate chaos and lack of structure and are willing to delay closure in order to understand the issues more fully". In order to succeed an organisation requires both managers and leaders". In order to develop both characteristics requires "a reduced focus on logic and strategic exercises in favour of an environment where creativity and imagination are permitted to flourish". (Zaleznik, 2004).

Dr. Zaleznik, Professor of Leadership at the Harvard Business School and Clinical Psychoanalyst, wrote in "The Managerial Mystique: Restoring Leadership in Business" that:

"Managers, by their very nature, thrive on control therefore anything that they perceive as costing them control is unsettling and is to be avoided ... managers do not allow themselves the luxury of failure whereas a leader will try, fail and try again all the while learning new and valuable lessons. The manager on the other hand learns only one lesson in life—don't fail—and to ensure non-failure managers seldom take risks."

Dr. Zaleznik's writes

"Whereas managers focus on process, leaders focus on imaginative ideas. Leaders are not only dreamers, but stimulate and drive other people to work hard and create reality out of ideas...

In comparison to visionary leaders such as...Sam Walton, managers are practical people. Typically they are hard working, intelligent, analytical and tolerant of others. Because they hold few convictions with passion, except perhaps the need to extract order out of potential chaos, they exhibit a high degree of fair-mindedness in dealing with people.

Leaders are more dramatic in style and unpredictable behavior. They seem to overcome the conflict between order and chaos with an authority legitimised by personal magnetism and a commitment to their own undertakings and destinies.
(http://ourworld.compuserve.com/homepages/gately/gately.htm)

Almost everyone is infatuated with leadership that "management has been pushed in the background". Becoming a good manager is no longer an aspiration but everyone wants to become a good leader. Separating management from leadership could be dangerous. Similarly to manage without leadership will encourage "an uninspired style, which deadens activities, leadership without management encourages a disconnected style, which promotes hubris" (Gosling & Mintzberg, 2003).

Leadership is about what a leader does to influence others to attain objectives ethically, that they otherwise would not have pursued successfully. To do this, leaders must be ethical, have integrity, be trustworthy and have credibility to their stakeholders. A. Zaleznick argued that managers and leaders differ in terms of motivation, personal history and how they think and act. A manager is a problem solver; his energies are directed towards goals, resources, organisation structures or people. Leaders have a propensity to influence moods, to shape expectations, and to establish direction. (Zaleznick, 2004).

Leadership also has some distinctive overtones. To begin with, change and leadership are two closely related concepts. Change tends to highlight the need for leadership; conversely leaders are likely to create change even where others do not see the need for it. Managers are sometimes seen as being there to achieve the objectives set by others (owners and directors). Leaders are seen to be responsible for new objectives and aims, against a background of thinking through the interplay of the fundamental purpose of thinking, through the interplay of the fundamental purpose of the organisation and its changing, challenging environment.

Other significant nuances of leadership have been discovered or rediscovered in the last ten years. Managers often motivate by balancing rewards and threats; their ways of motivating others may even border on the manipulative. Leaders also reward and punish on occasions, but they also lead by example; they inspire confidence and they generate in others a genuine enthusiasm and commitment for the work in hand. "You can be appointed a manager," it has been said, "but you are not a leader until your appointment is ratified in the hearts and minds of those who work for you".

The relation between managing and leading is an overlapping one. Neither concept must push the other out of existence. Managing at its best is much the same as leading as understood in the functional approach. A manager is often but not always a leader in industry or commerce. Like all leaders he or she is also a colleague and a subordinate; the team membership role is equally necessary and positive. No leadership exists in the raw; it is always incarnated in a situation. A business leader needs technical and financial knowledge: he or she must also exemplify the qualities the required by those who work in that field. A leader of managers should personify the qualities of a good manager. These include the distinctive management virtue of being a good administrator of such resources as money, property and time. A manager will also respect and use systems, for the balance between order and freedom is the essence of organisation. Leadership has certain overtones- a sense of direction, vision and inspiration, which are now relevant in management at all levels. (Adair, 1988).

People talk about leadership as different from management. They claim management is about administration and control and leadership is about mission and empowerment. Good management is about achieving results through others and it always encompassed leadership. Leadership is about achieving results through others and good management is about achieving results through others. The concept of management always encompassed leadership. (Doh, 2003).

Role of a Manager

"Organisations depend on managers, are built up by managers, directed and held together by managers, and made to perform by managers"

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(Peter Drucker, 1977)

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The main function of a manager is to lead the team to achieve the company's objectives and beyond. Managers are problem solvers they have to direct the efforts of individuals in order to achieve the objective of the organisation in an efficient and effective manner. It is 'persistence, tough mindedness, hard work, intelligence, analytical ability and perhaps most important, tolerance and goodwill" that makes a manager.

A manager therefore manages the work that people do. (Zaleznik, 2004). Effective managers not merely follow orders from the top; they lead the team to new heights.

Managing in a Global Environment

Business operations continue to span the globe and the means to figure out how to run them efficiently still has to be figured. There is no such thing "as a universal global manager". Multinational companies instead require three kinds of specialists.

Business managers, country managers and functional managers and a set of senior executives to nurture the specialists and coordinate their efforts. Success in today's international climate demands highly specialised yet closely linked groups of global business managers, country or regional managers and worldwide functional managers. Global business or product-division managers have one overriding responsibility: to further the company's global scale efficiency and competitiveness. This task requires not only the perspective to recognise opportunities and risks across national and functional boundaries but also the skill to coordinate activities and link capabilities across those barriers. The global business manager's overall goal is to capture the full benefit of integrated worldwide operations. The three roles at the core of a business manager's job are to serve as the strategist for his or her organisation, the architect of its worldwide asset and resource configuration, and the coordinator of transactions across national borders.

The Corporate Manager

There is no single model for the global manager. Neither the old-line international specialist nor the more recent global generalist can cope with the complexities of cross-border strategies. Indeed, the dynamism of today's marketplace calls for managers with diverse skills.

Responsibility for worldwide operations belongs to senior business, country and functional executives who focus on the intense interchanges and subtle negotiations required. In contrast, those in middle management and frontline jobs need well-defined responsibilities, a clear understanding of their organisation's transnational mission and a sense of accountability but few of the distractions senior negotiators must shoulder.

Meanwhile, corporate managers integrate these many levels of responsibility, playing perhaps the most vital role in transnational management. The corporate manager not only leads in the broadest sense; he or she also identifies talented business, country and functional managers-and balances the negotiations among the three corporate.

Managers identify the talent; they have the duty to develop it. They must provide opportunities for achievement that allow business, country and functional managers to handle negotiations in a worldwide context. A company's ability to identify individuals with potential, legitimise their diversity and integrate them into the organisation's corporate decisions is the single clearest indicator that the corporate leader is a true global manager. (Bartlett & Ghoshal, 2003).

3.7. DECISION – MAKING AND ETHICS

In organisations, people with managerial roles are expected, among other things, to make decisions as an important part of their responsibilities. Decisions can range from those of a vital, once for all nature to those of a routine and relatively trivial nature. H. I. Ansoff (1965: 1987) sees management as having three principal decision areas: strategic, operating and administrative.

There are many tools for decision-making, but few guides to indicate when situations might have an ethical implication. Making ethically consistent decisions is difficult. Most decisions have to be made in the context of economic, professional and social pressures, which can sometimes challenge our ethical goals and conceal or confuse the moral issue. Horvath (2000) suggests that the interaction and link between business, society and organisational ethics is such that they form part of an inter-linked continuum, which interacts with society and other environments including the individual, government and industry.

What matters most, however, when standing as individual managers, is how one behaves when faced with decisions, which require one to combine ethical and commercial judgments. Tierney (1996) postulates that managers automatically set standards by their own behaviour. With the rise of organised interest groups it is imperative that managers consider the opinions of everyone with a legitimate interest in a decision outcome. Prindal & Prodham (1994) citing Pasten's (1986) *The Hard Problem of Management* has perceptively referred to this phenomenon as the ethical superiority of the uninvolved.

The consequence of adopting a broader perspective, the principal of stakeholder theory, was devised simply to broaden management's fiduciary duty to include owners, workers, suppliers, residence, community where the firm is situated and every group that may have a connection with the organisation.

Definition of Ethics

The concept of ethics is notoriously difficult to defined. Within the vast array of available quotations, one particularly clear definition describes as "The system or code of morals of a particular person, religion, group or profession"(Jensen, 2000).

This definition can be broken down into two distinct components. The first is that ethics comprises a system or code of morals. The second is that the code or system belongs to a specific body. This definition is a simple and perceptively accurate perspective engendering both the means and the context.

Making ethical decisions is easy when the facts are clear, choices simple and issues black and white, but managerial decision-making is rarely reducible to data processing. If it were, computers would replace most managers. Ethical decisions depend on both the decision making process itself and the experience, intelligence, and integrity of the decision-maker (Andrews, 1989).

The concept of ethics has come to mean various things to various people, but generally it is the decision maker's ability in coming to know what is right or wrong in the workplace and doing what is right. McNamara (2000) suggests that the emergence of business ethics is similar to other management disciplines. For example, organisations realised they needed to better manage their human resources and so the discipline of human resources was born. As business dealings became more complicated and dynamic, organisations realised they needed more guidance to ensure their actions supported the principles of common good and did not harm others-and so business ethics was born.

Harrington (1996) citing Manley (1991) suggests that many managers believe corporate codes can help deter improper actions of employees. Yet despite the prevalence of codes of ethics their effectiveness is controversial (Stevens, 1994).

It would suggest then that codes are assumed to have a positive impact on the decision-making processes of the employee. If so, this would have the consequent benefit of giving employees confidence in their companies' management. It has a lot to do with morale. For instance, ethics programs make a real difference in employee perceptions of management, according to the Ethics Resource Centre survey. Employees at programs were more likely than employees without such programs to believe that the ethical commitment of their CEO (65% vs. 47%), senior management (70% vs. 52% and direct advisor (77% vs. 58%) was "about right".

The fact that organisations are increasingly establishing codes of ethics is shown by a "Conference Board" survey in which nearly half of the responding companies had enacted their codes since 1987, with the result that 83% to 93% of US firms now have a code of ethics (Berenbeim, 1992: Centre for Business Ethics, 1992). These corporate codes of ethics are any written corporate statement of ethics, law or policy that defines standards either by direct articulating values or norms, for the work group's behaviour (Stevens, 1994). They usually consist of a combination of directive statements for certain kinds of conduct as well as general statements of corporate commitment to constituencies or a management philosophy (Berenbeim, 1992).

The term "business ethics" has evolved from philosophy and has remained relatively formless until the late 1960s and more specifically the "Potter Box" developed by Ralf Potter in 1965, which is a logical procedure for moral decision-making (Christian et al, 1991). Potter's model was designed to stimulate an understanding of the various issues that confront decision makers. The moral reasoning procedure has four steps:

- Define the situation, that is, evaluate the dilemma from perspectives other than one's own perspectives

- Identify the values that shape or affect the situation, that is the standards by which individuals seek meanings and self worth

- Identify relevant moral principles (or theory) that provide ethical contexts for the situation

- Identify loyalties, that is, third parties to whom an institution or individual should be loyal. Since Potter's model, a number of researchers have proposed other conceptual models. Anderson (1997) proposed that a business issue poses ethical considerations or causes a dilemma when it involves any one of four main moral principles:

  - Avoiding risk or harm to others;
  - In competing claims between people, groups or values;
  - In avoiding lying and honouring agreements; and / or
  - Respecting the autonomy of others.

The Ethical Decision Making Process

Managers tend to choose from right-based, duty-based or consequentionalist approaches in the decision making process depending on the circumstances of the issue in question. Ethical behaviour, in its essence, requires integrity, which in turn demands a deep-rooted appreciation of right and wrong. However, in practical applications, ethical behaviour often requires finding a balance between conflicting and opposing interests in circumstances where judgements must be based on inadequate and subjective information (Grant, 1993). In a perfect world the term "ethical dilemma" would be an oxymoron, but for most of us it is an all too common phrase.

Furthermore, in the current world of rapid and dramatic changes, domestically and globally, managers can expect to be faced with difficult ethical questions on a regular basis.

Managers are in positions of power and are called upon to make a myriad of choices each day, which if unethical, can damage the company's productivity, profits and reputation. Unethical decisions come in a variety of packages. This can happen from the employee who conducts personal business on company time, the line worker who fails to report a product flaw in order to meet a deadline or a manager who accepts gifts from a customer and a gesture of goodwill pushes through the order. Flynn (1995) suggests that alone, these are not organisation - threatening actions but when these misdemeanours become endemic to the company, trouble is imminent.

Flynn further adds; "Sweep away the clutter of financial jargon and you'll find that the Barings debacle occurred not because an employee sold futures options in a "straddle", or because he "shorted" derivatives on Japanese interest rates and government bonds. What it boils down to is that Barings collapsed because an employee made an unethical decision (p. 1)".

Sufficient literature exists to support Weiss (1998) that the first step in addressing ethical dilemmas is to identify the problem(s) and related issues. This is particularly necessary for a stakeholder approach, since the problems and issues depend on who the stakeholders are. This leads to the perspective that, most difficult ethical decisions are compromises between what a manager wants to achieve against what he has to do; therefore it is helpful to understand what are the processes for identifying a situation as ethical and then selecting the most appropriate course of action.

3.8. EFFECTIVE COMMUNICATION – A SINE QUA NON FOR SUCCESS

"An organisation is a group of people associated for business, political, professional, religious, athletic, social or other purposes. Its activities require human beings to interact, react-communicate. They exchange information, ideas, plans, order needed supplies; make decisions, rules, proposals, contracts, agreements"

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(Murphy and Hildebrandt 1991).

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As pointed out by Murphy and Hildebrant, effective communication is the lifeblood of organisations. Organisations are made up of interdependent people and the performance of one individual affects and is affected by the performance of others. Interdependence calls for coordination of activities, which ensures that individual tasks will be carried out so that the objectives of the organisation will be achieved. And coordination requires communication (Ludlow and Panton, 1992).

In business organisations, the communication has to be effective. And effective communication is communication in which the intended meaning attached to the message by the source and the perceived meaning given by the receiver is one and the same (Schermerhorn, Hunt and Osborn, 1994).

This shows that there is a sender and a receiver. And for communication to be effective the receiver should understand the message with the same meaning, as was the intention of the sender.

There are different types of communication. That which is officially inspired is often referred to as formal communication, whereas communication that is unofficial, unplanned and spontaneous is classified as informal (McKenna, 1994). A communication system can transmit information up, down and sideways within a business organisation. And information is transmitted on a one- way or two-way basis. When communication is said to be on a one-way basis, it means that there is no opportunity to receive a reaction from the receiver of the message. Whereas, when communication is said to be on a two-way basis, the receiver of the message can provide a response and is encouraged to do so.

Employee Communication Programmes

In charting the research into employee communication, Sission (1989) says that there is evidence of the topic being taken more seriously by management. For e.g., a CBI survey in the mid 1970's found that 80% of employees did not feel that they were adequately kept informed of corporate developments by their organisations. By 1981 the Institute of Personnel Management discovered that 42% of companies had appointed communications managers and 40% also possessed written policy statements.

In presenting a compendium of research into communication channels favoured by companies between 1975 and 1983, Sisson remarks that British management likes to utilise a number of different systems although there was still a leaning towards the written forms rather than verbal (example: house journals and employee reports). Sisson adds:

"Some methods, however, are considered to have greater impact, specially face to face communication where it is a component of organised line management. Employee newspapers, reports, conferences and seminars have a more supportive role: useful but not vital" (Sisson, 1989).

The Advisory, Conciliation and Arbitration Services (ACAS) makes the fundamental point that workplace communications are important because all employees, whether they work for a medium or large scale enterprise, unionised or non-unionised, need to know what is required of them.

ACAS illustrates the link between good communications and the commitment of staff as follows:

"Employees will perform better if they are given regular, accurate information about their jobs such as updated technical instructions, targets, deadlines and feedback. Their commitment is also likely to be enhanced if they know what the organisation is trying to achieve and how they, as individuals, can influence decisions" (ACAS Advisory Booklet "Employee Communications and Consultation", 1994).

The changes that are taking place in organisations are making it clear that managers to be effective, require communication performance at hitherto unheard - of levels of excellence. Some of the common reasons for communications are as highlighted by Schermerhorn, Hunt and Osborn (1994) and as follows:

- It leads to greater effectiveness
- It keeps people in the picture
- It gets people involved with the organisation and:

- Increases motivation to perform well

- Increases commitment to the organisation

- It makes for better relationships and understanding between bosses and subordinates, colleagues and people within the organisation.

- It helps people to understand the need for change:

    - How they should manage it

    - How to reduce resistance to change.

Ways of Communication

It would be appropriate now to see the ways in which communication takes place in organisation. There are many ways to communicate and these include oral and written communication and non-verbal communication.

Oral Communication

Oral communication occurs when spoken word is used either face-to-face, in a small group, or over the telephone. The sender of the message has the opportunity to observe feedback, and the receiver to ask questions and additional information for clarification. It is often faster than other forms of communication and has the advantage of being personal. The drawback of this way communication is the lack of written record of the dialogue.

Written Communication

Written communication provides written record of happenings and transactions for future reference. It is an impersonal process. The advantage it has over the spoken word is that more information is provided to the receiver by the sender. Written communication is somewhat more time consuming than the spoken word. The sender is given little opportunity to give feedback. Written communication amounts to one-way communication system with a delayed response.

Non Verbal Communication

This covers all aspects of communication that are not expressed orally or in writing. It includes body movements, the emphasis and intonations we put on words, facial expressions, and the physical distance between the sender and the receiver.

Non-verbal body language for example raising an eyebrow for disbelief, shrugging our shoulders for indifference, winking an eye for intimacy, touching our forehead for forgetfulness conveys meaning and constitutes an important facet of human communication. Whatever be the ways of communicating, it would seem that managers needs to be effective communicators to achieve positive results in today's organisations. (McKenna).

Informal Channels of Communication

Within any organisation there are both formal and informal channels of communication. The formal channels are those that are officially acknowledged and approved and informal channels of communication can either facilitate or inhibit communication through official channels. (Glen 1975). Foy (1983) argues that in order to improve corporate communication the grapevine should not be eliminated, but effort should be made to ensure that official communication channels match the informal ones. The informal channels of communication are not officially acknowledged, but are often privately acknowledged and approved and sometimes deliberately used. (Torrington and Hall, 1995).

According to Davis (1976) a number of factors give rise to the formation of grapevines, such as the following:

- There is a lack of information through the formal communication channels

- A state of insecurity activates people to communicate with each other and build a bulwark against likely threats

- Conflicts and tensions, often between superiors and subordinates can give rise to people talking about the issues informally

- Where there is distrust and dislike between people, the protagonists will try to gain advantage by circulating informally negative information about their opponents

- Where there is a need to spread new information quickly, informal communication channels will often be used.

Torrington and Hall argue that within organisations the existence of such informal channels of communication often encourages managers to communicate officially, as the information will in any case be passed on.

On these grounds it may be assumed that an increase in official communication would result in a decrease in the unofficial informal communication. Interestingly, this has been shown not to be the case and that increasing official communication results in increasing informal communication.

Effectiveness in communication usually requires a careful blend of both formal and informal channels, with formal statements of fact and reasons, supported by informal explanations and interpretations.

Communication Barriers

Communication is a very important concept for any organisation. "It is a process of creating, transmitting and interpreting ideas, facts, opinions and feelings. It is a process that is essentially a sharing one a mutual interchange between two or more persons". (Cole, 1996).

Good communication is achieved only when a person can communicate more freely and effectively with others. There is only one main obstacle to communication. For example "the tendency of people to evaluate".

All individuals have a natural urge to judge, evaluate, and approve or disapprove another person's statement. When emotions and feelings are involved this tendency is heightened and interpersonal communication is blocked. Real communication can be achieved by listening carefully with understanding. This means to take a very real risk, which many cannot take. Instead people cannot listen and are therefore driven to evaluate because listening is dangerous. The deficiency in the modern world is the inability for two people "to listen to each other intelligently, understandingly and skilfully". People must be taught how to listen effectively as this is a serious problem (Rogers, Roethlisberger, 1991).

Messages are sent verbally and non-verbally in many organisations. It is usually done in such a way in order to secure our jobs and further our career.   In order to avoid confrontation and other perceived dangers people prefer to keep silence.   Thousands of people have lost their job due to the difficult economy therefore it seems that quiet submission is exaggerated. However silence is omnipresent in organisations. It is costly to both to firms and to the individual.

"Silence can exact a high psychological price on individuals, generating feelings of humiliation, pernicious anger, resentment and the like that, if unexpressed, contaminate every interaction, shut down creativity, and undermine productivity". People have different beliefs, opinions, and tastes due to the fact that people come from different backgrounds, have different temperaments and experiences. Individuals often believed silence is the best way to maintain good relationship and allow work to be done. Keeping silent "does not resolve anything; rather than erase differences, we swell with negative emotions like anxiety, anger and resentment".

Situations can become catastrophic if silence prevails. By breaking the ice fresh ideas can come pouring from all levels, which can improve the performance of an organisation.

However there are situations where it is better to keep quiet, especially where some issues are not worth it and there is no point in turning small differences of opinion into broad conflicts. *(Perlow et al, 2003).*

Globalisation has shrunk the world and has brought together people from different countries, background and religions. Regular contacts and interactions become important and "effective communication is critical to our successful collaboration with these colleagues, customers and suppliers".   Differences are bound to occur which lead to misunderstanding.   Interpersonal animosities, prejudices and preconceptions make communication difficult.

It would be important to consider the communication problems and this because perceptual problems are frequently encountered in organisations: these are often referred to as "communication problems" (McKenna, 1994).

- Communication within one function of a business - e.g. the finance department-is likely to be better than between groups drawn from, say, marketing and finance departments

- Likewise, communication between people within a geographical location is usually better than between groups in different locations.

As regards staff / line relationships, sometimes we find that communication between the "staff specialist" on, say product planning, and the line manager e.g. the production manager leaves much to be desired. This problem is often aggravated by a difference of outlook or orientation.

- The relationship between superiors and subordinates within the hierarchy of organisations can be another source of perceptual problems.

In a study of 58 pairs of managers, who were asked various questions about the duties of subordinates, only half were able to agree on their duties (Maier et al, 1961).

It was also found that there were marked differences in perception between superiors and subordinates when it came to assessing the nature of consultation. For example, 70% of the top managers believed they almost always got their subordinates ideas and opinions in problem solving sessions on the jobs, but only 52% of foremen believed this to be so. Similarly, 73% of the foremen believed that they almost got their subordinates' ideas and opinions in problem-solving sessions on the job, but only 16% of the workers believed this to be so. (Likert, 1961).

It would be appropriate according to personal experience, to pay more attention to communication being effective. According to Farnham and Pimlott (1990) Effective Workplace Communication is a two way process requiring a two-way flow of information between management and its workers. Workplace communication usually refers to the provision and passing of information and instructions enabling an employing organisation to function efficiently, with employees being properly informed of developments, managerial plans and current events. Managers have a responsibility to communicate with all the employees and with the unions and their members.

Good channels and procedures, it is argued, promote more effective management practices, more committed employees and greater trust within the organisation between employer and employees. Employees need to be informed about their duties, obligations and rights. They also have to communicate with managers and be able to ask questions about their work and about developments within the enterprise, and to get answers to their questions. Employees are communicators too.

They have to pass on job related information to others as part of their work. They may also wish to contribute to the job environment in which they are located and to the personnel and other policies affecting their welfare and interest in employment.

Good practice suggests it is primarily management's responsibility to create the conditions and establish the necessary policies and procedures for promoting effective communication with employees. This process especially requires a lead from top management. Where a senior manager is made responsible for ensuring that the policy is put into practice and is maintained and reviewed regularly, it is more likely to succeed. The principal links in workplace communications are line managers. They are responsible for passing information in both upward and downward directions.

Managers also have to exchange information with other managers, which necessitates horizontal as well as vertical communication.

3.9 AFFECTIVE EXPERIENCE AND EMOTIONAL INTELLIGENCE

Emotion was somewhat a neglected topic in the organisational behaviour literature. It was viewed as a "barrier to effective management". However nowadays work related emotion is getting more attention by management scholars. In existing organisation theories of work motivation emotion is still largely neglected. Maslow and McClelland's theories of motivation lay emphasis on basic human needs. Human emotion is likely to have an impact on the processes underlying motivation.

There are several definitions of emotions; some refer to emotions "as reflex" like expression of inherited action programs modified by conditioned responses whereas others define emotions by the presence of certain appraisals, judgements, or facial expressions.

- Researchers treat "emotion as one coherent causal entity that produces systematic and coherent changes in feelings, behaviours and physiological activation".

However, researchers have not been able to establish any such coherence.

Recently Russell and Feldman Barrett "offered the concept of "core concept" as a useful unit of analysis of the broad emotion-related phenomena".

Core affect is part of all emotion-related concepts. Core affective feelings have an influence on work motivation both directly and indirectly. "Most theories of work motivation such as goal setting theory, expectancy theory and control theory, focus on cognitive components and processes that underlie motivational processes". They contributed in increasing our knowledge of work motivation but it was limited, as affective processes were not taken into account. *(Gu Seo et al, 2004)*

3.10 CONCLUSION

The striking difference

Leadership has been discussed in terms of leadership qualities such as intelligence, energy, initiative and enthusiasm. Leaders tend to (or should) exemplify the qualities expected or required in their working groups. But leadership is more than a personal attribute, a general quality of personality and character which can be refracted into a spectrum of 'leadership qualities". It is also a role, determined by the expectations of the group or organisations. The leader is expected to enable the group or organization to fulfil its mission and to hold it together as a working unity. A leader, then, is the kind of person (qualities), with the appropriate knowledge and skill to lead a group to achieve its ends willingly. Leadership has certain overtones- a sense of direction, vision and inspiration, which are now relevant in management at all levels.

The concept of management has acquired some definite undertones or connotations over the two or three centuries of its existence, largely from its formative years in the last century, nuances which cling to it like a comet's tail. Some of these are now widely thought to be questionable, such as the mechanistic doctrines of human nature and organisation. On a more positive note, a strong overtone of administration, especially financial administration, still remains implicitly or explicitly related to management. According to John Adair a good manager implies being a good administrator. (Adair, 1988).

New Role of Managers

Managers of today and tomorrow have to balance the present with an uncertain and risky future and be innovative to succeed.

Every manager has a role to fulfil. To function effectively he should influence, in a positive way, a group of people to achieve a common goal. Therefore in the workplace he has to fulfil a leadership role.

The Manager should identify the most serious type of management issues and adapt a management style in order to suit the different phases of the life cycle of an organisation and the environment around but most importantly he should also take into account the profile of the human resources within the organisation in terms of culture, academic background, values, needs, expectations. (Cole, 1996).

A Manager should possess excellent communication skills in order to connect better with the people he leads and interact with. Otherwise this might lead to misunderstanding and missed opportunities, and can damage credibility. Talking and communicating are two different activities, yet relating activities.

Listening is a key to effective communication. A manager should be a good listener in order to develop spirit of cooperation.

It is through cooperative efforts of others that a manager achieves predetermined goals and not by doing the work himself. Therefore a manager must be cognizant of what motivates others to succeed and then allows them to achieve success. He plays the most important role in employee motivation. Effective management in the business workplace is critical to positive employee motivation and high employee morale.

The keys to financial success and a profitable business are not the strategies or the systems of the firm. The character and skill of individual managers, who practise what they preach and recognise the manager's role in coaching employees, are what count.

A Manager should be prepared to manage or lead people. Good managers are not made on-the-job training alone. Right combinations of personality traits that allow them to become effective managers are also required. A few of the personality traits are: concern for others, a willingness to admit to mistakes, openness, an inclusive attitude, enjoys the achievement of subordinates, strength of character to let others make decisions and thus make mistakes, listens actively to people's concern, etc.

A Leader takes risks and grows from making mistakes whilst the managerial types take few risks to avoid making mistakes. A Manager should therefore be a risk taker and not risk avoider. (*http://edis.ifas.ufl.edu/pdffiles/HR/HR02000.pdf*)

Managing time can prove to be a valuable asset. Developing personal time management skill and professional time management skill efficiently enables a manager to prioritise tasks and activities and hence eliminate unnecessary activities.

Greater competition and the ever-increasing pace of change mean that a manager faces pressures than ever before. By constantly improving his skill, delivering leadership and management development and business development, he can survive and thrive in today's competitive environment. A Manager should become member of a professional body to maximise opportunities that arise from these challenges.

Managers have to think organisational, local, national, regional and also global to succeed. They have to know how the global business and the intermediaries are doing and adjust themselves accordingly. They must produce results; positive results while bearing in mind the trade off between business and social.

This study *"How Do Mauritian Managers Manage?"* will elicit - What management qualities they have now and determine thereof the characteristics they should have in this new global business environment.

4.   Phase I – Survey Results

Objectives

The main objective of the survey was to understand how Mauritian Managers manage, and if they have a style of their own which can be called the Mauritian Management Style. More precisely, it aimed at:

- Establishing the profile of Mauritian Managers in relation to age, experience, education and training, designation and gender

- Understanding how Mauritian Managers set objectives, priorities and determine current management practices

- Exploring the style of management in the private sector, public sector, family businesses, in multinational organisations and in small businesses, etc.

- Analysing how managers are adjusting in a global context

- Determining the characteristics that organisations look for in Mauritian Managers.

The survey also served as primary data for Phase II Interviews, which analysed some aspects of management more in-depth.

Methodology

The survey was conducted in February 2006 through questionnaires mailed out to all MEF, MIM members, Public Organisations and Parastatal Bodies. Whenever necessary, clarifications on the responses were sought out through phone and email.

The questionnaire contained both quantitative and qualitative information and was divided into five major components, namely:

- Organisation details

- Leadership

- Decision making

- Managing people

- Managing communication.

4.2 BACKGROUND INFORMATION ABOUT RESPONDENTS

Coverage of the Survey

The respondents came from 123 enterprises ranging from small to large enterprises All the main sectors of the economy were well-covered, especially key sectors like Agriculture, Manufacturing, Export Processing Zone, Wholesale & Retail Trade, Financing, Insurance, Real Estate and Business Services and Community. Table 3 gives a breakdown of the enterprises surveyed by sector.

Table 3   Breakdown of Enterprises by Sector

SECTORS	NO. OF FIRMS	% OF TOTAL
Agriculture	8	6.5
Manufacturing & Quarrying (including of Water, Gas & Electricity	14	11.4
EPZ	12	9.8
Wholesale & Retail Trade	16	13.0
Financing, Insurance, Real Estate & Business Services	49	39.8
Community, Social & Personal Services	14	11.4
Others	10	8.1
TOTAL	**123**	**100.0**

Size of Enterprises

30.9 % of the enterprises had between 10 to 50 employees. 15% of the surveyed enterprises employed between 51 to 100 employees. The number of employees in 18% of the enterprises surveyed was between 101 to 250.

Sectorally, 61% of the enterprises surveyed in Finance, Insurance, Real Estate and Business Services and 50% in Wholesale and Retail Trade were relatively small enterprises employing less than 50 employees. All enterprises in Agriculture employed more than 100 employees.

TABLE 4   Number of Employees of Respondent Companies

NO OF EMPLOYEES	NO. OF FIRMS	% OF TOTAL
Less than 10	13	10.6
10 to 50	38	30.9
51 to 100	19	15.4
101 to 250	22	17.9
251 to 500	11	8.9
501 to 1000	9	7.3
1001 to 2500	4	3.3
More than 2500	2	1.6
No Response	5	4.1
TOTAL	**123**	**100.0**

Type of Business

Figure 1: Type of Business

86% of the respondents were from the private sector. 12% of these enterprises operated in the public sector of which 4.1% were Ministries or Government Organisations and 8.2% were Parastatal Bodies or Public Enterprises. Responses were obtained from all sectors, namely private and public sectors, family businesses, SME's.

The first part was devoted to gathering information on personal characteristics of managers. Questions were related to gender, marital status, age, education and salary range, strengths and weaknesses. This was essential to understand the profile of Mauritian Managers.

Gender

Figure 2: Gender

81.1% of the respondents surveyed were male managers while only 18.9% were female managers.
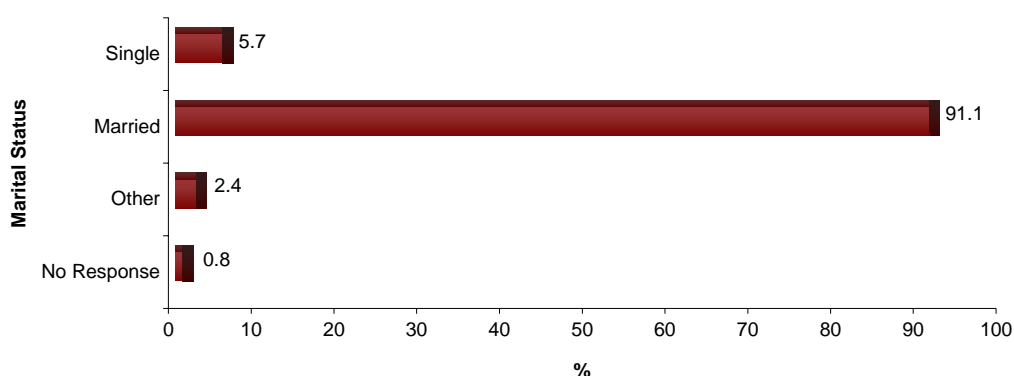
Marital Status
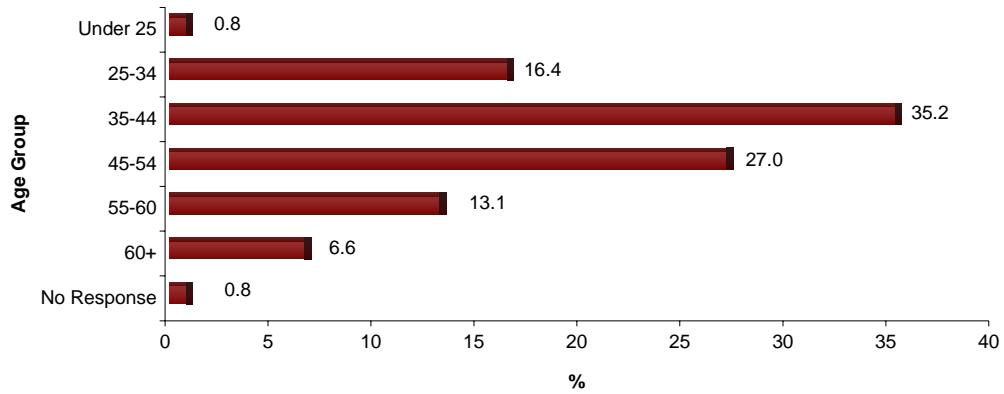

Figure 3: Marital Status

Age

Figure 4: Age Profile

The great majority of respondents i.e 91% were married. 35% of the respondents belonged to the age group of 35 - 44 and 28% were in the age group of 45 - 54. Very few respondents were below 25 years. Understandably, people move to management position with the acquisition of experience and skills over time.
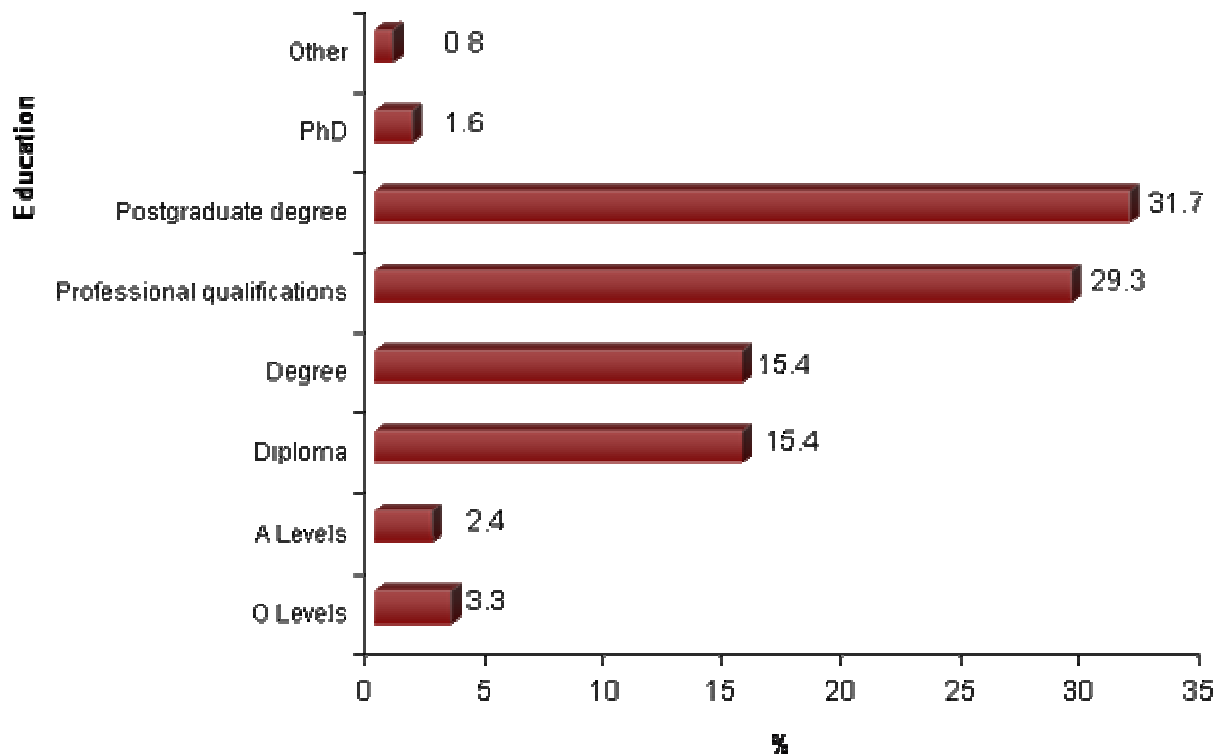
Education

Figure 5: Education Level

As far as education is concerned 31.7% of the respondents were postgraduate degree holders, 29.3% held professional qualifications and 15.4% were degree holders. The survey results confirmed that organisations have highly qualified personnel working for them. In total, three quarters of the managers had at least a first degree. It seems that a degree will become more and more a prerequisite to aspire to a management position in the years ahead.

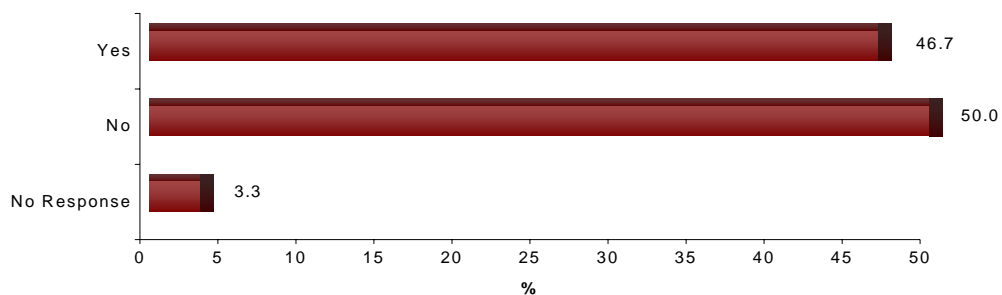**Membership to a Professional Organisation**

Figure 6: Membership to a Professional Organisation

70

48% of these managers were members of professional organisations while 50% of them did not show interest in joining any of these professional organisations.
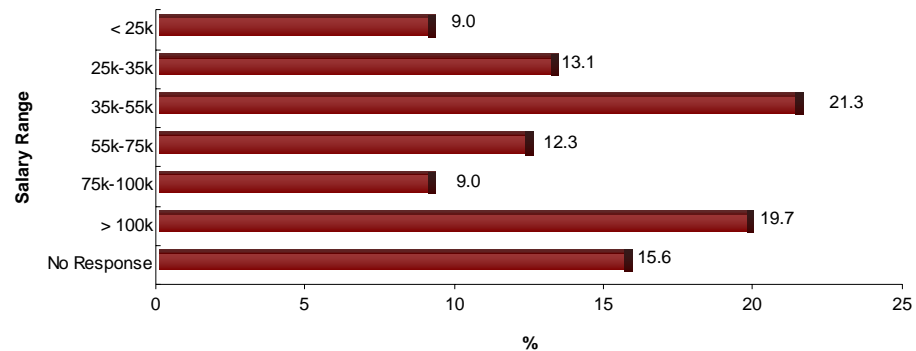
Salary Range

Figure 7: Salary Range

More than half of the respondents were earning more than Rs35000 monthly. It is worth noting that about 20 per cent of the respondents were earning more than Rs100,000.

4.3 MANAGER'S QUALITIES

This section dealt with the qualities of managers and their style of managers. They rated their own strengths and weaknesses and also gave their opinion of the management style of their organisations
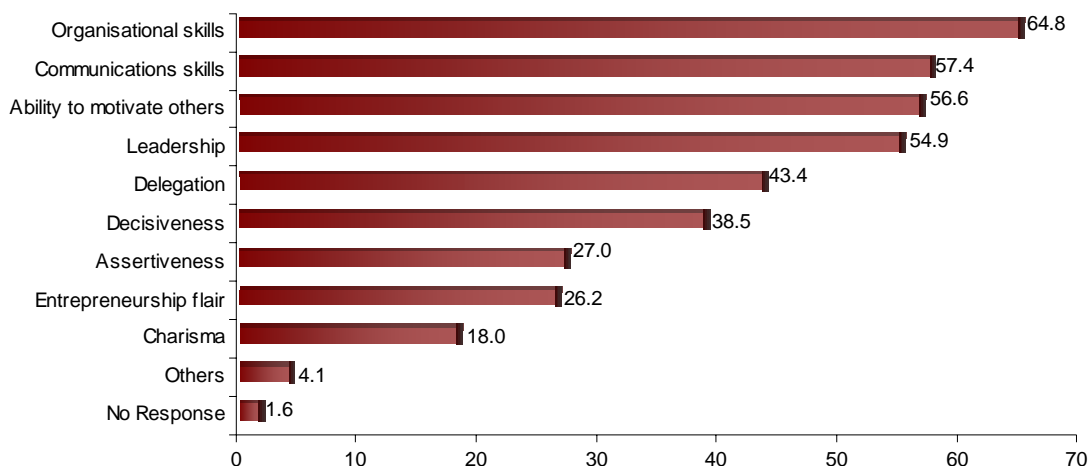
Strength(s) of a Manager
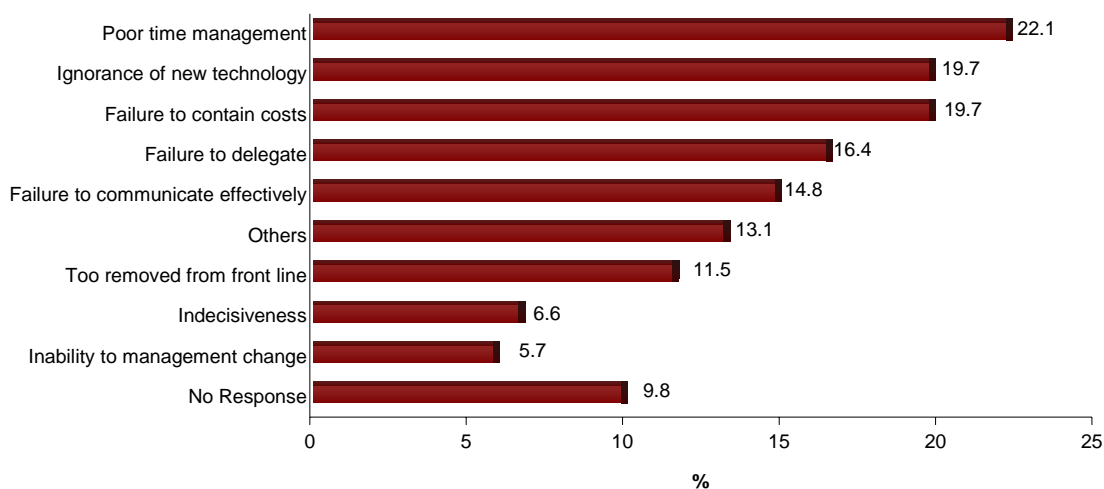
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Figure 8: Strengths of Managers

Organisational skills (65%) were rated as the greatest personal strength of a manager followed by Communications Skills (57%) and the ability to motivate others (57%). Leadership (55%) and Delegation (43%) were also highly rated. Decisiveness (39%), Assertiveness (27%) and Entrepreneurship Flair (26%) were less favoured as greatest personal strengths.

The survey results were undoubtedly clear in highlighting the following four greatest strengths of managers in Mauritius.

1.   Organisational skills
2.   Communications Skills
3.   Ability to motivate
4.   Leadership, all of which are crucial for executing business strategies.

The survey revealed that effective manager require a combination of skills but the most important one conveyed as their ability to organise.
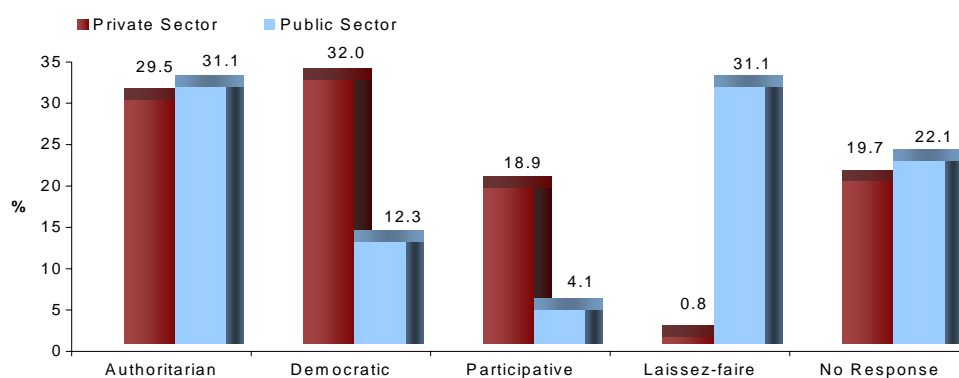
Weakness(es)

Our survey revealed that 22.1% of Mauritian Managers did not manage their time efficiently, 20% were not aware of new technology and 20% failed to contain costs. Weaknesses identified were fewer than strengths.

Management Style in the Private Sector and the Public Sector

Figure 10: Management Style in the Private Sector and the Public Sector

31% of the respondents believed that the management style in the private sector was democratic while 31% of the respondent felt that it was authoritarian in the public sector. 31% of the respondent felt that the management style in the public sector was authoritarian. And only 12% felt it was democratic.
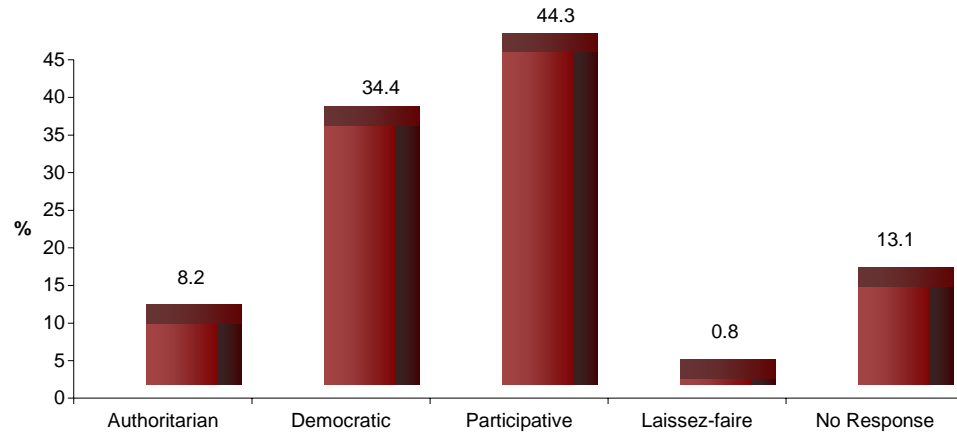
Management Style in the Surveyed Enterprise

Figure 11: Management Style in the Surveyed Enterprise

44% of the respondents perceived that the style of management adopted in their organisations was participative. 34% perceived it to be democratic.

4.4 LEADERSHIP STYLE

Respondents were asked to rank the leadership style of this organisation on a Likert Scale.

TABLE 5

Leadership Style Adopted in Surveyed Enterprises

	1		2		3		4		5		No Response	
	No.	%	No.	%	No.	%	No.	%	No.	%	No.	%
Analytical - Intuitive	16	13.1	39	32.0	36	29.5	23	18.9	4	3.3	5	4.1
Consensual - Authoritarian	9	7.4	40	32.8	51	41.8	10	8.2	7	5.7	6	4.9
Bureaucratic - Entrepreneurial	3	2.5	10	8.2	32	26.2	53	43.4	20	16.4	5	4.1
Cautious –	7	5.7	30	24.6	53	43.4	21	17.2	7	5.7	5	4.1

Risk Taking												
Centralised - Decentralised	14	*11.5*	24	*19.7*	45	*36.9*	29	*23.8*	8	*6.6*	3	*2.5*
Reactive - Proactive	2	*1.6*	17	*13.9*	30	*24.6*	51	*41.8*	15	*12.3*	8	*6.6*
Secretive - Open	4	*3.3*	11	*9.0*	32	*26.2*	44	*36.1*	27	*22.1*	5	*4.1*
Resistant - Innovative	2	*1.6*	9	*7.4*	26	*21.3*	55	*45.1*	25	*20.5*	6	*4.9*
Indecisive - Decisive	4	*3.3*	6	*4.9*	21	*17.2*	57	*46.7*	29	*23.8*	6	*4.9*

TABLE 6
Requirements for Development as a Leader

	Not Important		Not that Important		Neither		Important		Very Important		No Response	
	No.	%	No.	%	No.	%	No.	%	No.	%	No.	%
Relevant Qualifications	0	0.0	9	7.4	11	9.0	78	63.9	25	20.5	0	0.0
Intelligence	0	0.0	0	0.0	2	1.6	79	64.8	42	34.4	0	0.0
Age	9	7.4	40	32.8	36	29.5	31	25.4	6	4.9	1	0.8
Experience	0	0.0	3	2.5	3	2.5	68	55.7	48	39.3	1	0.8
Personality	0	0.0	1	0.8	5	4.1	59	48.4	57	46.7	1	0.8
Values and Integrity	0	0.0	2	1.6	5	4.1	23	18.9	93	76.2	0	0.0
Interpersonal Skills	0	0.0	1	0.8	2	1.6	57	46.7	63	51.6	0	0.0
Communication Skills	0	0.0	0	0.0	3	2.5	36	29.5	83	68.0	1	0.8
Emotional Intelligence	3	2.5	9	7.4	17	13.9	49	40.2	45	36.9	0	0.0

76% considered Values and Integrity as the most important requirement for the development of a leader followed by Communication Skills (68%). 52% considered Interpersonal Skills to be very important.

4.5 DECISION MAKING

<div align="center">

TABLE 7
Decision Making

</div>

	YES		NO		NO RESPONSE	
	No	**%**	**No**	**%**	**No**	**%**
Do you participate in the strategic decision - making?	111	90.2	11	8.9	1	0.8
Do you set objectives for the						
(a) short term	110		7		6	
(b) long term	95		21		7	
Are the objectives realistically attainable?	112		7		4	
Are they sufficiently challenging?	111		10		2	
Do you establish priorities?	118		3		2	
Do you consider any potential bottlenecks in your planning process?	88		33		2	
Do you prepare contingency plans to put into operation if problems do occur?	80		38		5	

90% of the respondents participated in strategic decision-making in the entreprise. 90% participated in setting objectives for the short term while 77% participated in setting objectives in the long term. More than 90% believed that the objectives were realistically attainable and sufficiently challenging. 96% of the respondents participated in establishing priorities for the enterprises. 72% considered potential bottlenecks in their planning process while 65% prepared contingency plans to put into operation in case problems occurred.

4.6 MANAGING PEOPLE

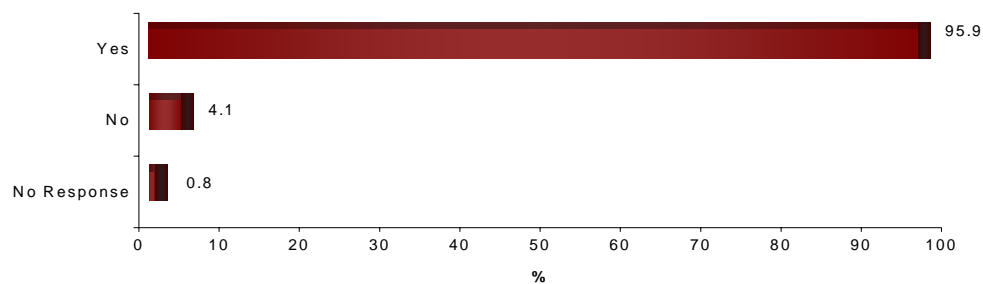**Staff Working as a Team in the Enterprise**

Figure 12: Staff Working as a Team in the Enterprise

It was rather encouraging to note that the staff in 96% of enterprises worked as a team.

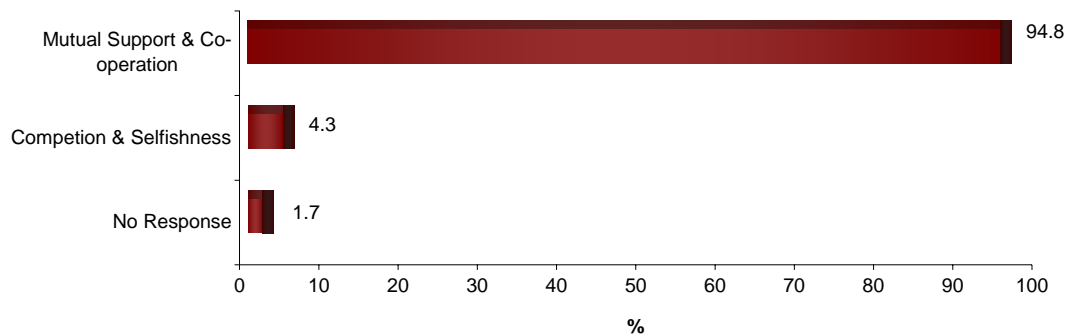**General Atmosphere within the Teams**

Figure 13: General Atmosphere within the Teams

The majority, 95%, indicated that the general atmosphere within the team was one of mutual support and co-operation. This was also reflected in the sectoral trends.

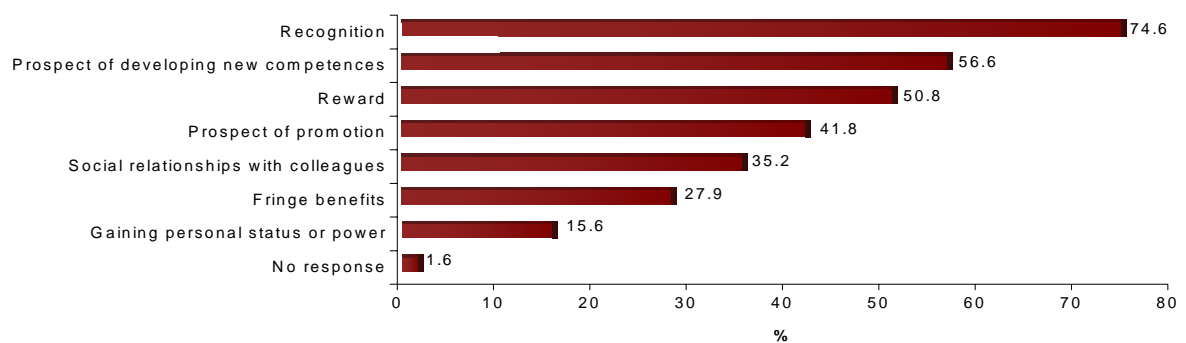**Factors Motivating the Teams**

Figure 14: Factors Motivating the Teams

Recognition (75%) was highly rated as a motivating factor, which was followed by prospect of developing new competencies (57%) and Reward (51%). It is interesting to note that recognition comes first whereas reward third. Thus, employees are not only motivated by reward; their contribution has to be recognised which is a source of job satisfaction and motivation. This is an important message to management.
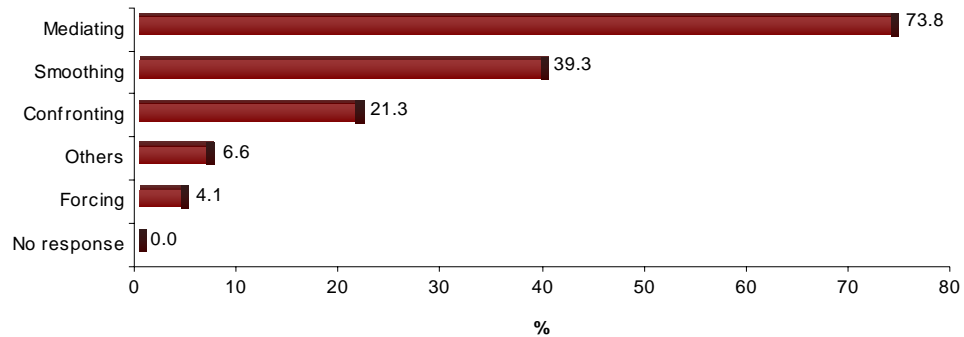
Handling Conflicts

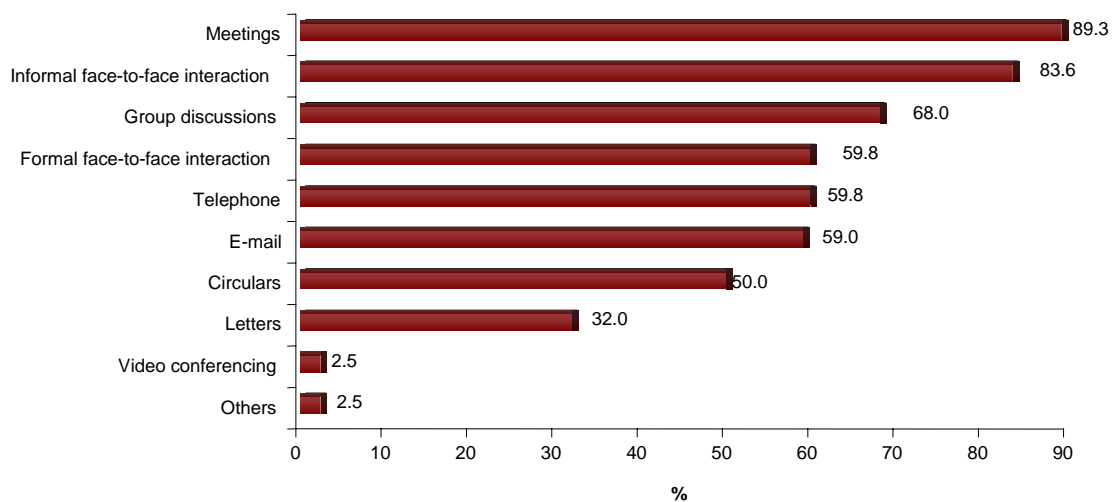*Figure 15: Handling Conflicts*

The majority of the respondents (74%) handled conflicts by mediating and 39% by smoothing.

4.7 MANAGING COMMUNICATION

Mode of Communication

Figure 16: Mode of Communication

The following means of communication were used within the responding firms:

Meetings	89%
Informal face-to-face interaction	84%
Group discussions	68%

The survey indicated that meetings and informal face-to-face interaction were the favoured method of communication.

Email is also being used for communication and in future it appears that this is a means that will be used predominantly. Interestingly formal face-to-face interaction is lower than informal face- to- face interaction. In an organisation a formal communication network will help for better communication and for better time management. Management has to adapt to new technology.
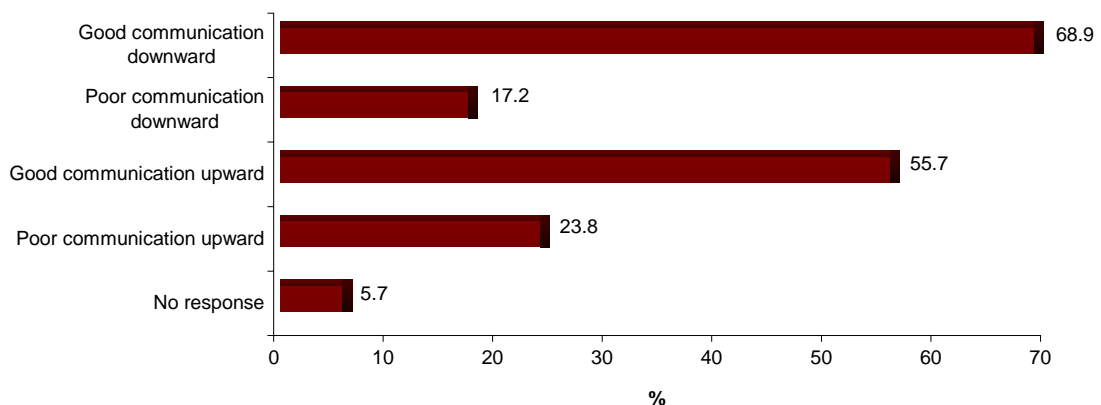
General Style of Communication with Enterprise

Figure 17: General Style of Communication with Enterprise

Respondents indicated that there was a good flow of communication downward (69%), and a good flow of communication upward (56%) within their organisations.
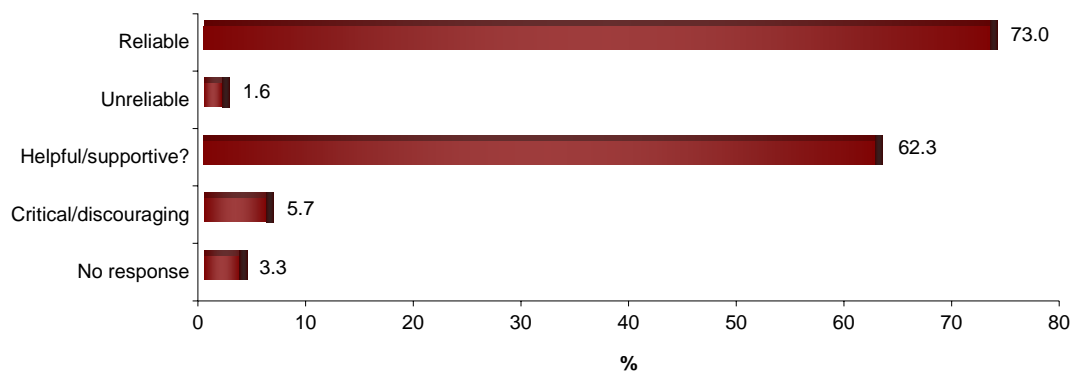
Reliability of Communication

Figure 18: Reliability of Communication

Communication was described as being generally reliable (73%), helpful and supportive (62%). All sectors indicated similar preferences.

TABLE 8 – Application of Principles in Enterprises

	Strongly Disagree		Disagree		Neither		Agree		Strongly Agree		No Response	
	No	*%*	*No*	*%*	*No*	*%*	*No*	*%*	*No*	*%*	*No*	*%*
Letting Managers Manage	1	0.8	4	3.3	7	5.7	74	60.2	33	26.8	4	3.3
Clear responsibility for action	1	0.8	0	0.0	10	8.1	69	56.1	42	34.1	1	0.8
Clear standards and objectives	1	0.8	2	1.6	13	10.6	71	57.7	36	29.3	0	0.0
Emphasis on results	1	0.8	1	0.8	9	7.3	73	59.3	39	31.7	0	0.0
Capacity building	2	1.6	3	2.4	21	17.1	71	57.7	22	17.9	4	3.3
Cost reduction	1	0.8	7	5.7	31	25.2	55	44.7	27	22.0	2	1.6
Do more with less	5	4.1	8	6.5	35	28.5	51	41.5	20	16.3	4	3.3
Flexibility in hiring and rewards	3	2.4	13	10.6	26	21.1	54	43.9	19	15.4	8	6.5

The following principles were applied at the respondent's level:

Emphasis on results	91%
Clear responsibility for action	90.1%
Clear standards and objectives	86.9%
Letting Managers Manage	86.8%

5.   Phase II – Interviews

5.1 INTRODUCTION

1.   The objectives of Phase II interviews were to:

- Test the validity of selected responses from Phase I
- Explore some additional areas which were not covered in Phase I
- Analyse how managers are adjusting in a global context
- Determine the leadership competencies that are most important today and will be most important in 10 years.

Phase II consisted of ten comprehensive questions relating to globalisation, leadership, decision making and training.   Twenty-one respondents were interviewed.   These organisations reflect a representation of diverse types of sectors that have filled in the survey questionnaires.   These are private, public, parastatal, family and non-governmental organisations and were selected on the following criteria:

- Sector
- Type of business
- Size, age, gender, experience of the managers

5.2 GLOBALISATION

The interviews complemented the results of the survey and were an opportunity to delve deeper into the challenges facing managers today in a globalised environment.

 The critical issues that are examined pertain to factors influencing the manager's vision, adjustment, change and management tools used. As Jack Welch of GEC said "I am not here to predict the world. I'm here to be sure I've a company that is strong to respond to whatever happens".

Managers increasingly recognise the need to be international players which connote the ideas of knowledge of the market, awareness of global changes, versatility of the workforce, awareness of different cultures, mobility of labour, high competition, high costs and changes in legislation.

It was felt that managers in general think more local instead of global. As such, there are apprehensions as to whether managers could really respond to the challenges of globalisation with the existing human resources.

For many managers it is a fight for survival. There is no level playing field in the international market and as such managers believe that government intervention is warranted to protect industries and to encourage small entreprises and family set ups.

To be competitive, there is an urgent call for higher productivity. The results are remarkably clear in highlighting a rapidly changing business environment with increasing competition from multiple global sources, many of which are located in Asia, high costs, changes in international legislation, mobility of labour and lack of quality consciousness. These changes are fuelling a hectic race for operational efficiencies, better customer service, and rock bottom prices. The pace of change is brutal. And innovative products, services and delivery mechanisms are necessary to stay ahead of the pack.

There is no doubt that managers must think regional and global and see that the reality is to have a strong, disciplined, highly skilled and knowledgeable human resource to do what they can do best to attract foreign investment, to produce quality products and services and to be competitive on the global market.

Managers identified top five single issues facing them in Mauritius:

- High competition
- Mobility of labour
- High costs
- Changes in international legislation
- No creativity / No quality consciousness

Adjustment to this global context requires continuous efforts to innovate, to invest in aggressive marketing, to introduce new technology and to keep abreast of Information Technology. Managers should adopt an outward looking marketing strategy and participate actively in international events like salons, exhibitions and seminars. Such participation will help to sharpen their own management and leadership skills and create an interaction with international players and managers.

Investment in human resources particularly in training and learning has to play a key role. A better understanding of the importance of human resource management will help to motivate employees and enhance productivity.

Organisations can adjust to the global context and four ways indicated were:

- Providing better customer service

- Fostering innovation

- Diversification

- Managing relationship

  - Training, re-skilling and empowering the employees

  - Restructuring and new technology.

The foregoing will help organisations to manage change and be avant-gardiste. Some of the tools that can be used to attain the objectives of the organisation and to adjust to the dynamic environment are:

- Strategic planning and development of vision and mission

- Formation of strategic alliances

- Benchmarking

- Performance management

- Adopting growth strategies

  - Delegation

  - Communication

To respond to the challenges of globalisation, managers were unanimous in recognising the need for adopting strategic management, developing a vision and a mission of the organisation. It is positive to note that all enterprises interviewed had written Mission and Vision statements. In a few cases strategic alliances have been developed and have become an integral part of the organization culture.

There were clear indications that these organisations had carefully worked out their vision so that they can beat up the competition with the latest products and services demanded by customers. Mention was specifically made of quality management, ISO 9001:2000, performance management and knowledge of the market.

In spite of the fact that managers voiced out very clearly that their organisations should be more global oriented, yet in practice it is found that this is not the case. They tend to act more locally than globally.

Human resources have a key role to play in organizations and in the management of change and restructuring. They have to communicate for better understanding at all levels, appraise performance and improve productivity and performance, and delegate for higher participation.

5.3 LEADERSHIP

To be able to transform the organisation and for managers to be drivers of change, they should have the right personality for the job, a positive motivating attitude, good communication skills, and be hard-working and system-oriented.

Managers should also display integrity, human values, trust, discipline and integrity. The interviews point towards an insatiable need for leaders who can adapt to, anticipate and develop strategies for this changing global business landscape. The leaders must be able to drive the strategy throughout the organisation. One striking example is the case where the leader is considered to be successful because of his intuitive ability to read and adapt to changing business conditions.

In spite of difficult situations; managers have to be smart and have a sense of direction in the organisations. They should be constantly innovating. Innovation also takes on a whole new meaning. It is a question of experimenting with new ideas.The brightest ideas are being generated by networks, some of them worldwide, some of them internal among their own employees.

A case in point is the trend for companies and their customers to co-create products and services together.

Our interviews also indicate that there are three key elements of organisation culture/processes necessary for effective leadership development:

- Leadership development strategy

- Top management support

- Succession planning

Although the top-rated item was leadership development strategy, anyone with extensive experience has learned the hard way that top management support is an absolutely necessary precondition for successful development and execution of any leadership development strategy. Top management must see the link between developing and executing business strategy and having the talent to do so. During the interviews it was clearly indicated that it is not uncommon for a team of top people in the organisation to organise a big workshop with a high-priced consultant for three days of strategy development. The strategy is written and distributed with little thought given to the people needed to achieve this business strategy. In effect, it is a partial strategy because the exercise does not fully reflect the reality. At the other extreme, all employees may take ownership of the mission and vision of the organisation. One company fully emphasises employee participation in the business strategy.

The competencies that are most important today and for the future are strategy development and communication skills. Leaders of big organisations contribute their own views on top-level business strategy.

The most effective leaders realise that their job is largely the development of organisational capability, that is, the organisation's core competencies, which reside in its people. The leader must be able to develop people with a high performance track record as well as the potential to successfully take on higher-level challenges. The leader must also develop the talent of his/her people.

By providing opportunities to tackle big problems, the leader is providing the stimulation and on the job growth that high potential people live for. The leader must provide training on the core competencies necessary for the realisation of the organisation's strategies.

The leader must foster creativity and innovation, both by providing the opportunity to tackle big business issues and by creating a culture where risk-taking and decentralised decision-making are encouraged and rewarded.

There is often encouragement for change but top management practises control and adherence to established policies and practices.

The leader must be able to develop people with a high performance track. The leader must have a combination of skills and competencies to lead the organisation and mobilise all resources to ensure the success of the organisation.

While the survey focused on the personal attributes of managers, the interviews provided an insight the concept, philosophy, competencies, culture and processes obtaining especially in a global network.

The questions put at the interviews aimed at eliciting from the managers matters relating to drivers of change having an impact on leadership challenge, the impact of organisational culture and processes, and competencies that are critical today and in the future. These questions are meant to enhance the responses on the leadership theme.

The answers are quite revealing in the sense that there seems to be a consistency around the ways of looking at leadership in general.

The components that top the list are:

- *Communication*

    All the respondents rank this component top on the list. They all agree that the most important criterion is intensive communication.

- **Strategy development skills**

Top management support is a necessary precondition for successful development and execution of any leadership strategy.

- **Empowerment**

  Most of the respondents believe that they must empower the employees for leadership to have any meaning.

- **Knowledge of the customer**

  Most of the respondents are of the strong view that it is imperative to know the customer, without which leadership would fail.

- **Knowledge of the business**

  It came out clearly that knowledge of the business and technical knowledge are *sine qua non* for leadership initiatives.

- **Team building**

  The interviews reveal that team building is regarded as an essential component of leadership. In the same breadth leadership rests largely on the development of organisational capability i.e. the organisation's core competencies, which reside in its people.

- **Competencies**

  To some extent, managers view leadership competencies as having components of integrity, positive attitude, hard work, organisation and social skills and emotional intelligence.

Top five drivers of change:

- Increased global competition
- Focus on the customer
- Need for innovation
- Human approach
- The fight for survival

5.4 DECISION MAKING

The following components, which were not included in the survey questionnaire, are incorporated in the interviews' set of questions.

- Level of management involved in decision-making
- Measurable indicators to evaluate objectives set
- Benchmarking decision making process with other organisations/countries
- Source of importance that impact on decision-making.

It was expected that the interview questions would throw more light on how managers proceed with their decision-making mechanisms.

It was clearly indicated that strategic decisions were taken at Top Management level whereas lower level management was mainly involved in day-to-day and operational decisions.

It was also stated that while the responsibility for crucial decisions would rest on Top management, there was a process of consultation with managers and executives. To a certain extent, there was decentralisation and delegation depending on the importance of the decision to be made. In one of the big textile companies there was no hierarchy as far as decision-making is concerned. All employees participate in decision making through their representatives on the Work Council.

Some interviewees expressed the view that there was a lack of measurable indicators in many organisations. They believe that awareness showing the importance of measurable indicators must be a common practice in all enterprises if we want to make Mauritius a competitive country. Measurement is vital for comparison purpose and remedial actions. Measurable indicators are critical for monitoring performance, adopting cost reduction strategies and determining profit margin. Managers monitor the performance of their enterprise by a number of indicators and the following was listed:

- Turnover (Sales Volume)
- Profitability ratios
- Key performance Indicators (KPI)
- Market share
- Productivity indicators
- HR retention rate
- Energy saving
- Qualitative indicators

50% of the interviewees do not have any benchmarking in place in their organisations due to their product/market not amenable to benchmarking.

As far as the benchmarking exercise is concerned, a few organisations, which have developed strategic alliances, are able to benchmark their decision-making process with their strategic partner. Multinational companies are benchmarking with other companies in the group. It is positive to note that certain sections of public sector are benchmarking its processes with those of the private sector and public sectors in New Zealand, Malaysia and Singapore. The parastatal bodies do not have any benchmarking mechanism in place.

Managers derive information from a variety of sources. The following were indicated.

- Internet
- Publications, magazines, newsletters, books
- Survey reports (both internal and external)
- Government policies and statistics
- Sharing of information (within the organization and outside).

5.5 TRAINING

The area of training was not addressed at all in the survey questionnaire. Being given its importance in today's management philosophy and practice, it was rightly included in the interview questions. It is expected that responses will help to gauge the interest, the commitment, the type and level of training of managers.

Managers interviewed felt that leaders and managers should be trained and developed whatever their natural talents. The majority of respondents felt that leadership and management development are top training priority. Most of the managers are unanimous to say that competencies are developed through continuous professional development. Respondent organisations tend to use some combination of the following tools and training techniques to build competencies:

- Overseas training

- Exchange programme and study visits

- Conferences, seminars, workshops, and fairs

    - Customised training

    - Knowledge management

    - Reading and self-learning

    - Internet

A few answers, which are not within the above categories, relate to being proactive, evaluating weaknesses and keeping up to date with quality management systems.

6.   Conclusions & Recommendations

6.1 KEY FINDINGS/CONCLUSIONS

- Mauritian managers are qualified and experienced. They are constantly learning to be able to adapt in this turbulent and daunting environment. They are generally aware about managerial development for employability.

- Managers are challenged by changes in the environment and are alert of these changes. Attempts are made for adapting the organisation to the need of customers and to adjust in the global context. However, it is noted that they generally think in the local context which makes it difficult to cope with global competition. There is a need to adapt to the highly competitive global environment.

- All these organisations have a vision and a mission statement which is a positive sign. There is a strategic direction to follow.

- There is consistency about components of what constitute leadership.

- Leaders have a great responsibility towards the realisation and execution of strategies in the development of the organisations. The development of people in this regard is not always considered as a top priority by leaders in their pursuit of business objectives.

- The organisations claim to be democratic but decision making still remains with top management whilst lower level management deals with operational decisions. Managers have a leadership role to accomplish. The right qualities and appropriate behaviour are felt to be equally important in the workplace.

- Not all organisations use measurable indicators to monitor performance, which are critical and can prove to be beneficial. An awareness exists about its effectiveness but using indicators on its own does not encourage remedial action

6.2 RECOMMENDATIONS

Management in the 21st century is not the same, as it seemed to be in the 20th century. Management is practised differently in different countries and different places. Mauritius is no exception. Some companies believe in Taylor or 'the carrot and stick approach' and

some in the Japanese style and others in the human relations school. These styles are more or less still been used. Therefore various management styles are employed depending on the culture of the business, the nature of the task, the nature of the workforce and the personality and skills of the leaders.

Vision

Effective leadership involves an element of vision, which gives direction. Leaders must not see the vision themselves; they must get others to see it too. The leader must therefore lead his followers so that they can adopt this vision. They should lead by example.

Make your vision contagious - Collin Powel

Human Relations

Effective leadership should have a formal aspect and an informal one. Leaders should not only lead others but should demonstrate human qualities in addition to other leadership qualities. Managing people is a difficult task.

Democratic Style

There is definitely a need to move away from autocratic style of management to a democratic style where the employees should be allowed to take part in decision-making. Decision-making should be decentralised. Communication flow should come from both directions (from subordinates to leaders and vice-versa). Such a style will prove to be useful when complex decisions need to be taken that require a range of specialist skills.

Innovation

Management has to continue innovating. To thrive in an age of change is vital for survival and this effort should be maintained. It is people who make a business successful. Capacity and capability building within an organisation can only be improved. By connecting those people better, empowering them to innovate and enabling knowledge sharing among them,

will enable the organization to attain maximum leverage to ensure that the sum of the individual talents is greater than the sum of the parts.

Continuous investment in the development of competencies at all levels of organisations should be undertaken in order to maximize relevance of human resources in achieving growth targets should be encouraged.

A backward integration policy should be adopted to mobilise the knowledge within and without the organisation. An intranet networking system should be established in organisation to promote knowledge management.

Management should be prudent. It is high time to create and inculcate a culture of risk taking in Mauritius.

Delegation

Managers should not hold on tasks that others should be doing for them. They should learn the secrets to delegating.

Strategic Models

Managers have to replicate strategic models and implement techniques within the organisation to alter competitive dynamics. e.g. E-business, e-governance.

Benchmarking is a powerful management tool which should be used by these organisations. Its use is limited in Mauritius. Benchmarking opens organizations to new methods, ideas and tools to improve their effectiveness. Indicators are currently being used but there is no benchmarking.

This tool should work as it is used by others in foreign countries. This will then allow organisations to develop plans on how to adopt best practices, usually with the aim of increasing some aspect of performance. This will assist in building competitive advantage and leading to new vistas of success.

Corporate Social Responsibility

Every individual is an organ of society and exists for the sake of society. Business is of no exception. In the Mauritian context with a pluralistic society, the concern must not only be the quantity of life (economic good and services) but also for the quality of life. Organisations have social responsibilities, which must be managed to make Mauritius a better place to live.

Communication

The managers must communicate as much as they can with the team. The ability to skillfully listen and communicate with others is the key to professional and personal success. Mastering effective listening and interpersonal communication skills will develop managerial abilities. Good managers listen and accept that they can make mistake and learn from mistakes.

Focus and Action

Managers have to follow a structured improvement method that leads to prompt solutions, actions and positive results.

To go about it, managers must

- Define problems
- Measure by gathering all relevant data to establish the exact situation
- Analyse by interpreting the data with all those concerns to establish the cause and effect relation
- Develop solutions
- Control by implementing procedures and prompt action.
- Measure the results and proceed further
- Think global

To create awareness for international business so that members of the organisation could see and think global. Managers must adjust and adapt accordingly to survive in the highly competitive world.

Customer Delights

To be customer oriented managers should adopt the role to satisfy both the internal and external customers.

Recognition & Excellence

Organisations should participate in diverse management events to share their knowledge, experience and management skills. A management award can be relevant.

AGGREGATED SURVEY RESULTS

SURVEY QUESTIONNAIRE

BIBLIOGRAPHY