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**Rensis Likert's Leadership Style and Organizational Management:
A Systematic Review**

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ABSTRACT

Any organization is a unique synthesis of its workers, duties, and objectives. The creative individual with a certain set of talents is known as the head of the organization. Each manager develops his or her management style, taking into account both objective and subjective aspects and adjusting them under certain circumstances. In every company, management plays a key role. The manager's vision, passion, and honesty define his advancement and profitability. Each manager has his method of completing different duties, such as creating goals, formulating a plan to achieve them, supervising and coordinating activities, environmental management, and human resources development. Management style is termed this particular technique to execute things. Various names call various management styles. For the present study, Rensis Likert's management or leadership model was reviewed to observe its impact on organizational management.

Key Words: Leadership Style, Job Performance, Job Satisfaction, Management Efficiency

Introduction

The notion of "management" dates back to the dawn of humanity. It is a necessary component of existence and has grown in importance since humans started joining groups to fulfill goals they could not accomplish alone. Managing one's life is not dissimilar to managing a business. Indeed, it is the distinctive job of contemporary civilization, the activity that separates us from prior societies. It is the process of attaining organizational objectives effectively while maximizing the use of finite resources. It applies to both big and small businesses, for-profit and not-for-profit firms, manufacturing and service sectors. Management, as a task, has its own set of abilities, tools, and strategies.

In any company, the manager is the dynamic life source. The manager's function becomes more important as the organization becomes complicated. A competent manager is someone who gets things done.



Whether there is management or mismanagement is determined by the manager's vision, passion, and honesty. In a nutshell, the manager's quality and performance influence the organization's success and survival.

Definitions of Management

Various management theorists have provided their own definitions of management. However, there is no consensus on these definitions.

According to **Mary Parker Fallett (1941)**, "management is the art of accomplishing goals via people." This definition makes a clear distinction between a manager and the rest of an organization's staff. A manager indirectly contributes to the achievement of an organization's objectives by guiding the efforts of others, while the organization's employees directly execute the duties necessary for goal achievement.

Terry and Franklin (1994) define management as "the process of planning, organising, implementing, and regulating that is used to establish and achieve goals via the utilisation of people and resources." Management, they assert, is a process that includes four activities: planning, organizing, acting and controlling. Planning considers future activities; organizing entails coordinating the organization's personnel and material resources; acting entails supervisors motivating and directing their subordinates. Control is the process of ensuring that no departure from the standard or plan occurs. Finally, this definition emphasizes that management is the process of accomplishing an organization's goals. These goals will change according to the nature of the organization.

According to **Koontz and Wehrich (2007)**, "management is the act of creating and sustaining an environment in which people working in groups may achieve their objectives successfully and efficiently."

Thus, all these definitions make the concept of management clear to us. Management plays a vital role in any organization, and good management is possible only when a good management style is adopted.



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The Management Style

There are two main causes for differences in management styles. First, there are disparities in terms of organizational kind, purpose, size, operational environment, history, etc. As a result, managing all companies in the same manner, is difficult. Second, the ability to manage organizations in various ways: over our years of expertise, we have found some alternative methods to conduct management duties, each with its own set of labels. As a result, there are different management styles (Khandwalla, 1995).

According to Alen Paisey (1992), an “*individual's management style*” is defined as the distinctive manner in which a manager executes managerial activities in a particular company, as judged over time by others who work with her/him. Thus, management style has been characterized as an individual's preferred behavioural method, which she or he prefers to repeat.

Golightly (1977) defines management style in terms of the manager's traits and effectiveness. According to him, management style is a collection of qualities that describe who a person is, how she/he does things, and how effectively she/he does them.

A study of management styles will surely serve as a springboard for fresh ideas on improving managerial efficiency. It will boost the efficiency of the organization.

Literature Review

The range of management styles proposed by many thinkers and academics over the years is so extensive that it is impossible to assert a “pure style.” Each style has its advantages and disadvantages. The majority of practicing managers were shown to use various styles rather than adhering to a single style.

Likert (1961) and his colleagues researched leadership and management at the University of Michigan's Survey Research Center about the same time as the Ohio State experiments. Michigan research



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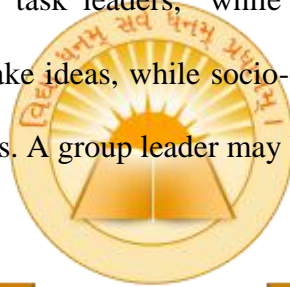
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focused on establishing relationships between leader behaviour, group process, and measures of group performance. As with the Ohio experiments, the main aim was to ascertain which style of interpersonal behaviour results in successful group performance. Similar to the Ohio study, Michigan studies developed two separate leadership styles: production-cantered and employee-cantered. A production-focused leader tended to see his work in terms of coordinating the physical manufacturing process, while an employee-focused leader saw his work more in terms of the human interactions involved. The more employee-focused a manager is, the less likely he is to be production-focused. However, a subsequent study at Michigan views the two approaches as distinct from one another rather than as points on a continuum. (Khan, R.L. 1969)

Bales of Harvard University found two types of leaders in his research on college students' small group behaviour. The first was dubbed "task leaders," while the second was "dubbed socio-emotional leaders." Task leaders speak more and make ideas, while socio-emotional leaders facilitate communication and provide physiological support to others. A group leader may be one of these things, but not both. (Tayal, G.L.1988)



Blake and Mouton's study (1964) is an example of a major research project that builds on previous studies. They have renamed two aspects from previous research as "care for people" and "concern for production." They have not only developed a theoretical framework for understanding management styles based on notions in their managerial grid, but they have also applied it to a variety of organizational and management development programs.

Edward Lawler (1985) analyzed the link between education, management style, and organizational success in his research study and argued that society's growing education level pushes for participatory management style. The investigator emphasizes that schooling in the United States may not adequately prepare individuals to operate in a more democratically governed work environment. Additionally, the



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research discusses the notion of a more participatory management style and its link to education and skills.

Materials and Methods

R. Likert (1961) proposes a bipolar model of management, identifying two distinct sorts of heads: those focused on work and those focused on people. This continuum denotes four distinct management approaches.

- 1. Exploitative Authoritative:** Its managers are excessively authoritarian, lack confidence in subordinates, drive workers via fear and punishment with little incentives, engage in downward communication, and delegate decision-making to the top. Downward communication flows from persons at higher levels in the organizational structure to those at lower levels; authoritative leadership does not exist in the upward communication flow.
- 2. Benevolent Authoritative:** This is similar to the preceding seven in that top-down management choices are made, but that fear of authority is fostered by incentives rather than punitive methods. Teamwork is almost difficult in this corporate climate.
- 3. Consultative Management:** Managers in this system have a high level of confidence and trust in their subordinates. However, they do not always rely entirely on them, frequently seek to incorporate subordinates' ideas and opinions, use rewards for motivation with occasional punishment and some participation, engage in both down and upstream communication, make broad policy and general decisions at the top while delegating specific decisions to lower levels, and the consultative system is a motivational strategy that emphasizes incentives and collaboration. Manager acting as a consultant to handle different issues inside the company. Employees are involved in part to act as a motivator. Productivity is high, with just a little amount of absenteeism.
- 4. Participative leadership style:** Motivational factors in this management approach originate from the



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ego, economics, and group engagement in decision-making and goal setting. There is widespread contact characterized by a high degree of mutual trust and respect, management controls are extensively self-monitored, and productivity is exceptional under their leadership structure.

Likert's Leadership Style and Organizational Management

Likert grew more interested in organizational management issues later in his life. His worry grew as he voiced his thoughts in three books: *New 8 Patterns of Management* (1961), *The Human Organization: Its Management and Value* (1967), and *New Ways of Managing Conflict*, which he co-authored with his wife (1976). He also advocated for the necessity for organizational management theories to be translated into consulting practice, and to that end, he founded Rensis Likert Associates. It implies that his ambition to create organizations both viable and acceptable necessitates a management system beyond Weber's steel frame framework.



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To break out from Weber's pyramidal structure, Likert looked at four essential features of companies as they progressed toward participatory organizational management systems. Weber's organization, which he referred to as "System1," was built on an exploitative authoritarian organizational framework with bureaucratic institutions. From then, the organizational study moved on to 'System2' and 'System3' of benign authoritative systems, consultative systems of organizations, and lastly 'System4' of participatory management of organizations, using psychological analytical tools developed by Likert. The mature form of the organization reached by current multidisciplinary social survey research based on participant observation methodologies is referred to as a 'System4' by Likert, often referred to as a 'Code.' Figure 1 depicts the four essential imperatives.

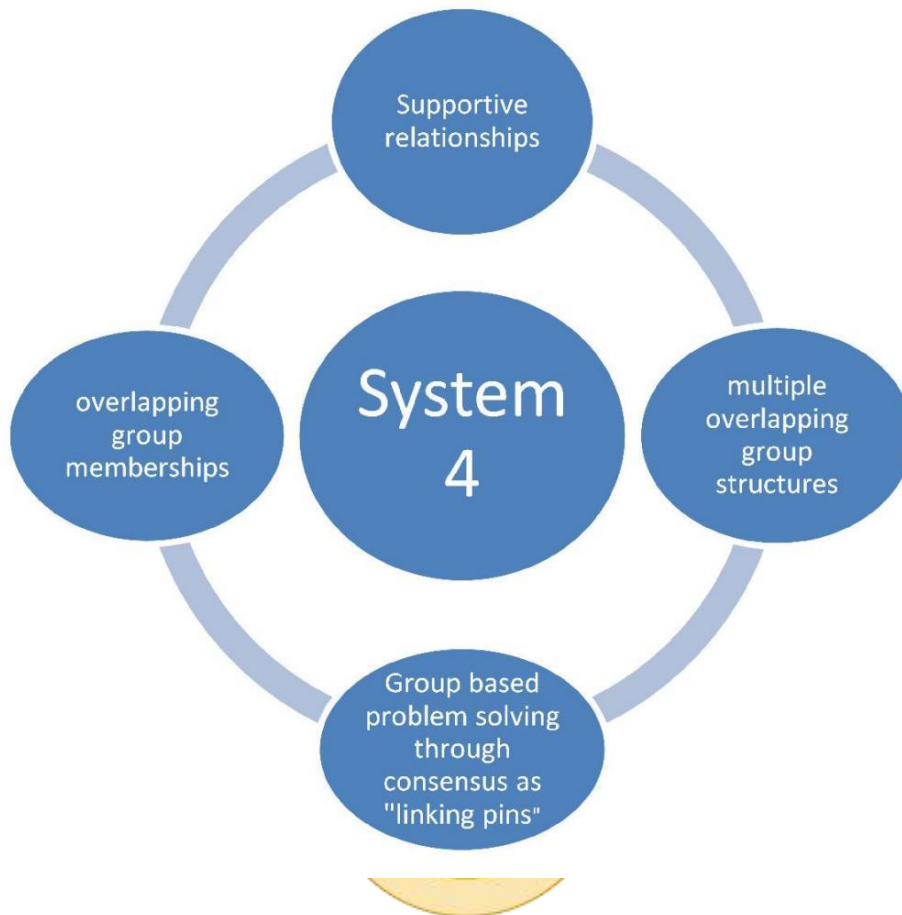


Figure-1 Four Fundamental Imperatives of Likert's "System 4"

Likert's major emphasis was on managing the human component in businesses, which entails being sensitive to their behavioural and attitudinal needs. He might show how better scientific studies into human behaviour inside a business may boost productivity and employee loyalty. His research of the transition from System 1 to System 4 organizations reveals a tendency toward increased freedom, democracy, and participation in decision-making.



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Conclusion

Likert was more of a problem solver than a theory creator. He was a sharp and observant observer of social and commercial circumstances, which he addressed in his writings, and he worked to free companies from authoritarianism and artificial emotional control. He sought to instill self-assurance, loyalty, and creativity in employees and supervisors to accomplish logical problem-solving more collaboratively and amicably. He is recognized for being a theorist who did not set out to create one but whose ideas arose organically and logically from his astonishingly acute grasp of human behaviour, group dynamics, and relationships. His quantitative and pragmatic approaches to social issues and social measures indicated his curiosity in how things functioned and how to improve them when they did not. He also had an instinctive knack for structures and measures. (4) Increased pleasure is linked to better decision-making and self-control due to real sought and heard engagement.



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