



Managerial Styles and Organisational Climate – A Study with Special Reference to Corporate Women Executives in Chennai

KEYWORDS

Managerial Style, Organizational Climate, demand, productivity.

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ABSTRACT *This study investigated the different types of managerial style and its effects on organizational climate. There are many researches undertaken to analyze the impact of managerial style on the organizational climate. Managerial style is the unique characteristics which should fit in the organization. The styles adapted by the executives in the organization is according to the demand of the situation, particular requirements of the subordinates involved and the challenges faced by the organization. Managerial style is viewed as one of the most powerful determinant of the organizational climate. The findings of this study which was conducted to the women executives in the corporate sector at Chennai also reflect that there is a significant relationship between the managerial style and the organizational climate.*

INTRODUCTION

The management of people at work is an integral part of the management process. To understand the critical importance of people in the organization is to recognize that the human element and the organization are synonymous. A well-managed organization usually sees an average worker as the root source of quality and productivity gains. Such organizations do not look to capital investment, but to employees, as the fundamental source of improvement. An organization is effective to the degree to which it achieves its goals. An effective organization will make sure that there is a spirit of cooperation and sense of commitment and satisfaction within the sphere of its influence.

Managerial Style as a component of the total management system. The manners in which goals are set both reflect and impinge on the style of decision making in the organization. The nature of the review of planned versus actual performance can greatly affect managerial motivation and behavior.

Management styles are characteristic ways of making decisions and relating to subordinates. This idea was further developed by Robert Tannenbaum and Warren H. Schmidt (1958, 1973), who argued that the style of leadership is dependent upon the prevailing circumstance; therefore leaders should exercise a range of management styles and should deploy them as appropriate.

Management styles can vary from company to company, and of course within organizations themselves. Different styles are appropriate for different situations or types of business. Managers like Bill Gates and Warren Buffett have famously developed their own distinctive methods from which others can learn. However, the fact that the two examples are very different shows that there is no single route to success.

Gate's style and management practice at Microsoft was based on control and concerning himself with detail almost to the point of obsession. The onus that Bill Gates placed on the monitoring of staff and figures is demonstrated by the fact that he even used to sign expenses for Steve Ballmer, his right-hand man.

Buffett, on the other hand, always stressed a desire for the managers of Berkshire Hathaway to think like owners. He urged them to 'look at the business you run as if it were the only asset of your family, one that must be operated for the next 50 years and can never be sold'.

Sometimes unorthodox management behavior can develop into a very effective management style. A case in point is that of Ricardo Semler and his Brazilian engineering company Semco. His management policies included unusual practices such as shutting down the company for an afternoon twice-yearly for all employees to clean out the places where they work. He also limited all memos and reports to one piece of A4, always topped by an eye-catching tabloid-style headline to sum up the key message. Perhaps most interestingly of all, he implemented a system where employees would assess their own managers, with a low rating putting the manager's job at risk. All this reinforces the view that there is no one right way to manage people.

In today's fast moving and global trade, executives are willing to abandon traditional ways of making business to new and enhanced skills in order to be successful in this competitive world. These challenges create an important role for an executive in their organization. It requires more efficiency of progressing knowledgeable forces to conduct the business in the new way. It is up to them to choose which side they wish to be, the leading edge or the trailing edge. Thus it requires planning, power, and control, organizing capabilities, management guidance...etc which lies in the hands of executive. The executive must select an appropriate style of the management to do the above mentioned activities in a successful manner.

All the executives in the organization seek to improve performance. They monitor the costs, invest to increase revenue and profits, spend a lot of money on technology and advertising. But they often ignore certain opportunities to improve the organization performance, especially those concerning the improvement of the work place conditions that motivate people to do their best. These aspects are defined as organizational climate. According to certain studies out in USA in 2001, there is positive correlation between the good climate and the profitability. The result off those studies showed that there is a 71% higher in organizations with energizing climates than in those with poorer climates. In order to increase the organizational performance, the executives must adapt a suitable managerial styles.

REVIEW OF LITERATURE

Many studies are conducted to highlight the relationship between the managerial style and climate. In a study conducted recently which was tested for a sample of 3,871 direct reports drawn from nine corporations in six industries showed that

styles are accounted for approximately 54% of the variance in total climate. These results were consistent.

McClelland, David C., & Burnham, David H (1995) concluded that right managerial style is an important ingredient in the profile of an effective manager. It was a study conducted on 50 managers in a large, highly hierarchical organization. It treated the organizational climate score as a measure of managerial effectiveness and categorized managers into groups with better organizational climate and group with poorer climate. It was found that 63% of the better managers had higher democratic and coaching scores, whereas only 22% of the poorer managers had higher Democratic and Coaching scores.

Ingles, S. & Moreno (1998) reveals the relationship between the managerial style and climate. It was tested for the managers from 27 hotels in an international hotel chain based in Europe. Again, a strong relationship was found between styles and climate. Total climate correlated positively with the Authoritative, Affiliative, Democratic and Coaching style. Only Coercive and Pacesetting styles correlated negatively with almost every climate dimension, with the most significant negative correlation between the Coercive style and the responsibility climate dimension.

Mulrooney, C. & Sala, F (2002), in their study investigated the relationship between managerial style and climate. A test was conducted on 61 managers in 25 health care systems located in 15 US states. Each style dimension correlated with each organizational climate dimension. Coercive and Pacesetting tended to correlate negatively while Authoritative, Affiliative, Democratic and Coaching tended to correlate positively.

Sala F (2002) found the relationship between the managerial style and climate. The study was conducted for 92 college principals (community college presidents) in the UK. The principals in this sample headed several kinds of colleges including agricultural, art and design, general, and the technical colleges. They were responsible for the direction and management of all aspects of the college's business including implementing its mission and strategy. Style and climate data were collected during the same time period, and styles as measured are found to account for 52% of the variance in climate as measured by OCSI.

V.S.R. Vijay Kumar (2007) in his study established the relationship between the organizational climate and managerial style. The main purpose of the study was to investigate the forces within the organizational context that help to shape favorable climate perceptions among its employees. Relationship between these variables are tested using structural equation model, treating management style as independent, work related beliefs and values as intervening, and organizational climate perceptions as dependent variables. Estimated model, which is different from proposed model, shows the direct effects of directive and participative style and intervening effects of the work related beliefs and values in shaping up of climate perceptions. While directive style results in unfavorable climate perceptions, diversity tolerance and individual orientation moderate by reducing the unfavorability of climate perceptions. Participative style shapes favorable perception and its effects are enhanced by diversity tolerance and team orientation.

Momeni (2009) brought out the relationship between the Organizational climate and Managerial style by highlighting the idea of Lyman who has found that employees' feeling about their workplace is the principal determinant of whether an organization is a great place to work, topping policies, organizational programs, financial situation, and value of stock. She also identified the following three components of employee feelings about the place where they work: Feelings about management: An employee should trust the people for whom he or she works. Feeling about the job: An employ-

ee should have pride in what he or she does. Feelings about other employees: Employees should enjoy the people with whom he or she works. More than three decades of research by Six Second Consulting Group show that more than 70% of employee's perceptions of organizational Climate is directly shaped by the managerial style.

OBJECTIVES OF THE STUDY

1. To carry out a comprehensive study in order to establish the relationship between the Managerial style and the Organisational climate.
2. To assess the impact of managerial style adapted by the women executives on the organizational climate.

RESEARCH METHODOLOGY

As the target group for the study was women executives in the private and the public sector companies, about 6 companies were selected in Chennai city was selected. Convenience sampling method was administered for the sample of 600 Women executives. This study is compiled with the primary data. Questionnaire, a primary data source was adopted for data collection containing 25 questions covering demographical variables of the respondents.

ANALYSIS AND FINDINGS

The relationship between managerial styles and organizational climate was analyzed by working out the correlation coefficient and the results are presented in Table

Hypothesis No- 1

Ho - There is no significant relationship between the Managerial style of the women executive and the organizational climate

H1 - There is a significant relationship between the Managerial style of the women executives and the organizational climate.

Table-1 Correlation coefficient to identify the relationship between managerial styles and organizational climate

Managerial Style	Organizational Climate
Coercive style	0.39
Authoritative style	0.43
Affiliative style	0.41*
Democratic style	0.40*
Pacesetting style	0.46**
Coaching style	0.39

Source: Primary Source

Note: ** indicates significance at one per cent level

*** indicates significance at five per cent level**

The correlations analysis indicates that affiliative and democratic styles of management are positively, significantly and moderately correlated with organizational climate at five per cent level. The pacesetting style is positively, significantly and moderately correlated with organizational climate at one per cent level. The women executives when they adopt these styles they are to have a conducive climate. Though Pacesetting style is more negative compliance it is having a high significant relationship with the organizational climate. This style makes the subordinates to accomplish the task. Furthermore no significant correlations were found between the Coercive, Authoritative, Coaching style and organizational climate. The organizational climate and these styles are not related with each other.

In order to analyze the contribution of the different styles adapted by the women executives towards the organizational climates, Step wise regression is employed

Table-2 Step wise regression analysis to identify the contribution of each style towards the organizational climate

S.No	Styles	Organizational Climate
1	Coercive Style	5 %
2	Authoritative Style	7 %
3	Affiliative style	16 %
4	Democratic Style	6 %
5	Pacesetting Style	21 %
6	Coaching Style	2 %

Source: Primary Source

The above shows the contribution level of each style towards the organizational climate. It is very clear that the pacesetting style contributed the highest of 21 % and the Affiliative style contributes 16% to the Organizational climate. When the women executives adapt the pacesetting style, the climate is conducive though that style is negative compliance. Coaching style is contributing to the lower of 2 % to the organizational climate. This style usually makes the subordinate to get learn many things, but it doesn't suit in all the organization. The contribution of the other styles is also moderate only.

CONCLUSION

The several organizations across the globe do not focus yet on the concept of the managerial style of their women executives. With the help of the current study importance of Managerial style for women in corporate can be understood. The focus of managerial style for women executives in the corporate sector would create an outcome of good social relations, job satisfaction, conducive climate and job involvement. This will help them to lead a better quality of work life and attain overall life satisfaction. The organization must further refine their policies and processes to strongly influence the participation of women in key projects. Companies have to understand the requirements of women to make the work environment even more friendly and conducive. Organization can provide the room women's participation in social responsibility activities which can develop their social support and overcome monotony.

Over a span of the last decade, Managerial style in corporate India has been revolutionized in terms of an increased level of sustained emphasis on inclusive growth. Thus the organization will see the better results if their managerial style qualities are brought to the force by offering them social support to strike a judicious balance between their families and career

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