

Challenges of Business Leadership at Different Managerial Levels in India

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Abstract: Effective leadership plays a decisive role in growth of any organization. A good leadership ensures a management driven by ownership and an effective management works as a guiding force towards efficient workforce. Process of effective leadership is eclipsed by leadership challenges such as developing managerial effectiveness, inspiring others, developing employees, leading a team, guiding change, managing internal stakeholders and politics and more. These challenges differ around the world. In this paper, we attempt to identify the challenges of business leadership in India and how these challenges differ with respect to different managerial levels alongwith demographics such as gender, age and type of business. The paper follows an exploratory and descriptive research design. Secondary and primary data is used as and when needed. Suitable statistical tools are used with the help of SPSS for descriptive and inferential research.

The paper may serve a great source of information for business leaders. The paper may prove to be a great deal in effective leadership as the paper will be identifying the most significant challenges of leadership at each level with respect to specific level of management and specific demographics. The future scope of the research lies in identifying want from leadership and mapping it with the challenges of the leadership.

Key Words; Leadership challenges, Governance, Business Leadership

Introduction

“The guide, the guru, the leader, the teacher has passed away, the boy, the student, the servant is left behind” - Swami Vivekananda. Finding good leaders has always been an important issue for any organization. This is the reason armed forces put so much effort in training their officers but according to the survey taken by Deloitte “leadership in 21st century is different as comparative to earlier ages. The need for “leaders at all levels” is one of the 12 critical issues identified in the Global Human Capital Trends 2014 survey published earlier this month by Deloitte University Press, the publishing arm of the professional services firm’s leadership center.

So from where should companies begin to start to boost the leadership within an organization?

- Engaging top management to define leadership within them and employees.
- Focusing on three aspects of developing leaders – developing leaders at all levels, developing global leaders locally and developing a succession mind-set
- Implementing an effective – and unique – leadership program and announcing rewards.

The emergence of leadership is a natural process when human beings get together (whatever be the size of the group) to accomplish the task. When a leadership role is not formally assigned to a person, informal leaders automatically emerge. Researchers and observers have provided abundant data to prove that in the absence of a formal leader, someone or the other assumes the task of leadership.

Leadership can be defined as the potential to influence behavior of others. Leaders are required to develop future visions and to motivate the other employees to achieve the vision. Leadership is a process by which an executive can direct, guide and influence the behavior and work of others towards accomplishment of specific goals in a given situation. Leadership is the ability of a manager to induce the subordinates to work with confidence and zeal.

According to Keith Davis, “Leadership is the ability to persuade others to seek defined objectives enthusiastically. It is the human factor which binds a group together and motivates it towards goals.”

Leaders and leadership styles may need to be changed to suit specific situations. A new CEO in an established company, for example, may benefit from altering his leadership style to be

more in line with the culture of his new company. Top executives themselves may need to be switched out from time to time if a company's performance establishes a pattern of decline. Terry (1961) has remarked that without the leaders the business would stagnate, the law enforcement would languish and the advancement would retard. Hence there is always a need and a real place for leadership.

Importance of Leadership

Leadership is an important function of management which helps to maximize efficiency and to achieve organizational goals. The following points justify the importance of leadership in a concern.

1. Helps in initiating the action
2. Plays an important role in Motivation
3. Providing guidance
4. Creating confidence and boosting morale
5. Builds good work environment
6. Helps in better coordination

Different leaders follow the style that suits them and their organizations. These styles also depend upon the size of the employees.

Leadership Styles			
Autocratic	Democratic	Free Rein	Blended
When only one person take the decisions of the organization, there is no delegation of authority.	This is two way as the leader delegate the authorities and the work is inter dependent.	This is also a two way interaction but they also focus on follower initiated agenda.	The leader will become their mentor but the has to be done by the individuals only.

Challenges of Leadership

Being a leader is itself a challenge as it revolves around interaction with different kinds of people but challenges vary according to different managerial levels which define the span of control under them depending upon the job responsibilities. These levels can be defined in three main categories:-

1. **Top Level Management:-** Top-level managers, or top managers, are also called senior management or executives. These individuals are at the top one or two levels in an organization, and hold titles such as: Chief Executive Officer (CEO), Chief Financial Officer (CFO), Chief Operational Officer (COO), Chief Information Officer (CIO), Chairperson of the Board, President, Vice president, Corporate head.
2. **Middle Management:-** Middle-level managers, or middle managers, are those in the levels below top managers. Middle managers' job titles include: General manager, Plant manager, Regional manager, and Divisional manager.
3. **First Level Management:-** First-level managers are also called first-line managers or supervisors. These managers have job titles such as: Office manager, Shift supervisor, Department manager, Foreperson, Crew leader, Store manager.

Different levels have different challenges but the motive of all the above levels is same to achieve the mission of the organization. The challenges faced by them can be defined in three common categories:-

- External Challenges
- Internal Challenges
- Nature of the leadership role

External Challenges: - These types of challenges come from social, economic and political forces which may affect the organization. In an organization issues like funding, opposition from forces in the community and interpersonal problems may occur. It totally depends upon the quality of a leader how he handles the situation. He may take this as a positive or negative. A leader can handle this situation by becoming proactive and creative.

Internal Challenges:- Leaders are human and is extremely decisive may alienate followers by never consulting them, or by consistently ignoring their advice. good leaders have to overcome those limitations in order to transmit and follow their vision. Fear, lack of confidence, insecurity, impatience, intolerance (all can act as barriers to leadership. Part of good leadership is learning to accept the reality of those traits, and working to change them so they don't get in the way. Some characteristics can be double-edged swords, positive in some circumstances and negative in others. The real challenge is in knowing the difference, and adapting your behavior accordingly.

Nature of the leadership role:- As a leader, you are responsible for your group's vision and mission, for upholding a standard, often for being the group's representative to the rest of the world and its protector as well. These responsibilities might be shared, but in most organizations, one person takes the largest part of the burden.

In addition to its responsibilities, leadership brings such challenges as motivating people - often without seeming to do so - and keeping them from stagnating when they're doing well. Leaders also have to motivate themselves, and not just to seem, but actually to be, enthusiastic about what they're doing. They have to be aware of serving their group and its members and all that that entails. In other words, they have to be leaders all the time.

To overcome this one needs to create mechanism to revisit a vision and should share the burden.

Other than the above main factors who of leadership challenges there are few more identified challenges as mentioned below:-



Strategies for coping with those challenges that stem directly from the circumstance of leadership:

- Create mechanisms to review the vision
- Share the burden
- Find mutual support with those who share your experience
- Take time for yourself
- Listen
- 360-degree feedback
- Look at what's going on around you Be proactive
- Be creative
- Face conflict squarely
- Look for common ground
- Be objective
- Be collaborative

It is said the challenges of leadership change with respect to land of operation. Owing to the valid aspect in this paper we evaluate the challenges faced by leaders on six parameters like leadership challenges such as developing managerial effectiveness, inspiring others, developing employees, leading a team, guiding change, managing internal stakeholders and politics. Few illustrations are mentioned below for the reference.

Research Methodology

In this paper we follow an exploratory research design. Qualitative data collection method of semi-structured in-depth interviews is used to collect data. The paper compiles data of 20 CEO's. Rest of the data is collected through secondary sources such as research papers, research articles and cases. The paper shall pave the pathway for descriptive research to be conducted as next phase of the project.

Qualitative analysis is presented through content analysis. The limitation and scope of study remains in geographical location of Delhi-NCR. Due to limitation of time and resources the convenient geographical location is selected for sample. The method of sampling was snowball sampling. Where the CEO's are contacted through references.

Data Analysis and Illustrations

Since leadership is a two way process. We have interacted with few leaders and entrepreneurs and discuss the challenges faced by them. The major questions asked are mentioned below:-

- What does Leadership mean to you?
- What type of leadership style you follow?
- Challenges faced by you in developing managerial effectiveness.
- What remedial measures you take to overcome the challenges

As per availability of time and resources 20 Indian CEO's from different types (sectors) and size of organizations are interviewed for this research project and mapping is done with secondary data.

Delegation of authorities emerged as one of the biggest leadership challenges as 50% CEO's shown their concern about delegation of authorities to management or employees. CEO's discussed positive and negative sides of it. The hurdles of delegation of authorities are i) to identify potential for delegation of authorities. ii) How much authority shall be given? and iii)

How to review whether authority is used rightly or not? Any leader has to seek answer to these questions before delegation of authorities.

CEO's mentioned that the delegation of authority increases the sense of ownership amongst the employees and they find themselves accountable for overall growth of organization. Sense of belongingness further adds to integrity and honesty at workplace.

20% CEO's mentioned that setting expectation of results from employees is another challenge of leadership in India. Sometimes expectations demotivate employees and they fail to achieve the realistic targets. The biggest sub challenges of expectations are i) setting up realistic goals and ii) communicating expectations to employees in clear and sophisticated manner. Most of the employees see expectations of leaders unrealistic. Hence the challenge immerses in generating confidence in leader's expectation.

50% CEO's further mentioned that they are skeptical about understanding the true potential of employees. This challenge can be mapped with identifying people to whom the authority shall be given. Leaders feel that a correctly designed specific performance measurement tool can help them in overcoming this challenge. This can have a two dimensional impact. One the leaders will be able to identify the potential of the employees and other they can be assured before delegation of authority.

One of the biggest challenges came up is employ cooperation and timing issues. Over 80% Leaders find that employees are reluctant to work on time and they do not respond to tough situations as expected. Non-cooperation seems to be the biggest challenges of Leadership. This Leadership challenge leads to another challenge i.e. How to inspire rather than mobilize employees to cooperate? Diversified personalities don't allow leaders to use same inspirational technique for all employees. Hence, non-cooperation and methods of inspiration seems to be the biggest challenges.

40% CEO's shows concern about being emotional during decision making. They pose it as a challenge. Sometimes it works in favor and sometimes it effects decision adversely. Hence there is always a dilemma in being or not being emotional during decision making.

Difficulty in managing Ego and attitude of the employees is yet another challenge quoted by 10% CEO's. They mention that managing Ego of employees is one of the biggest challenges and it results in interpersonal conflicts. This spoils the working environment of working place. The leadership challenge is to identify and implement methods that can nullify the effect of Ego and attitude of employees towards each other.

Acceptance towards leader's point of view is another challenge quoted by 75% CEO's. Leaders feel that sometimes employees do not show the acceptance towards the leader point of view. As per their thoughts people have different aspiration so it is difficult to make them understand the organization goal.

Conclusion and Future Work

In this paper we have explored the challenges of leadership in India. The data is collected through semi-structured in-depth interview technique and following seven challenges are identified.

1. Delegation of authority
2. Setting and communicating expected results.
3. Understanding the true potential
4. Employ cooperation and timing
5. Emotions in Decision Making yes or no
6. Managing ego and attitude
7. Acceptability of Leader's point of view.

Future work of the project lies in descriptive and causal study. Researchers will be developing a closed ended questionnaire. Further a data base model can be developed and in-depth analysis can be performed to identify and rectify the challenges of leadership.

Hence we can conclude that, Leadership is not a simple task to perform. It requires lots of experience, goodwill, strength and intelligence. Leadership poses lots of challenges. They come in three categories: external (from people and situations); internal (from within the leader herself); and stemming from the circumstance of being a leader. Every leader is different in this paper we tried to identify the most common challenges posed to leadership in India.

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