

## **Figure: 1 Determining Leadership Impact on Organizational Performance**

### **Section 2**

#### **Methodology**

What influences Companies those are most competitively poised for survival, growth & prosperity in the 21<sup>st</sup> century? A question that was sought to be answered through this research venture.

The endeavor in this proposal was to *“Study Culture and Leadership in the New Millennium. A case analysis for purposeful organizational performance and architecture”*.

The Researcher selected a set of new millennium companies performing business roles relating to Information technology, Telecommunications, Management Consulting, FMCG, High Tech Manufacturing, Advertising and financial services. The industry segment had been chosen to demonstrate the greater relevance of the individual and the quality of mind on the end product and profitability of the corporation. The study would seek to identify organizations in preparedness towards the new millennium through its cultural and leadership influences. The study would attempt to establish a relationship between the leadership style prevalent in the Company and it's influence on the culture.

As a further information source the researcher desired studying specific HR practices in the companies, to establish the role of various Human Resource Management practices in creating and sustaining the culture in the Companies.

“The Company” in the researcher’s assumption personifies the human being and makes the human mind the foundation of the corporation. The assumption borders on a singular dependence on the human being and the human mind to make organizations of the future effective. All other organizational factors are presumed to be secondary.

Intellect seen in its purest form is propaedeutic in its conceptual state. It is primarily elementary and forms the core of the enterprise. Individuals seek freedom of expression, in an environment where learning, teaching and understanding is available and is in a position to adapt, contribute and improve as they learn. The intellectual company deals below the surface of overt relationships, seeks psychological contract built on trust, collaboration and mutuality of purpose and provides an environment that offers respect and dignity to the individual. The Corporation has an undebatable, unalterable dictate on the faith in the human mind, the spirit and power of the intellect. Business Process facets of the corporation described above through the knowledge organization succeed the management of the enterprise.

### **Leadership, Culture and Organization and Management Models**

The models had been constructed by the Researcher as an important aspect of defining this research perspective on Organizational and Management Models. Consequently the researcher has provided conceptual definitions to the following through Chapter 1 in the main body of the thesis.

1. **Definitions of the 4 Types of Cultures as defined by Edgar Schein (3 Cultures) and combined it with another culture, defined by the Researcher, namely the Evolving Culture**
2. **Definitions of 8 types of Leadership Styles**
3. **Definitions of 8 types of Organization and Management Models.**

**And having done the above,**

4. **The Research now attempted to combine the relevance of Leadership Styles on Cultures in the context of Organization and Management Models.**

**Statement of Problem, Objectives, Pilot Study and Final Study**

### *Statement of the Problem of the Study*

*“Study Culture and Leadership in the New Millennium. A case analysis for purposeful organizational performance and architecture”.*

#### **1. Objectives of the Study**

At a simplistic level software organization, consulting, advisory firms, research, new product development, design and generic knowledge based value-adding companies (advertising, financial services, communication, entertainment, education, multi product

conglomerate corporations) are treated as knowledge firms given their role in development of raw data, creation of unknown into known and the utilization of people as the primary state of creators.

## **2. Possible Scenarios and Assumptions**

### **1. Pilot Study**

In the proposal it was suggested that the sample will consist between 5 and 8 companies from the industries as defined in, namely Information technology, high tech manufacturing companies, FMCG, Telecommunications, Management Consulting, Advertising, financial services. The target profile would consist of CEO's, select top management cadre and HR Managers. Given the inherent difficulty in obtaining time and commitment of CEO's and their top management of high performing/visible companies an appropriate data collection technique would be used as the research progresses. It was decided that corrective actions would be taken on an on going basis to exhaustively collect data.

Accordingly, the pilot study evaluated 5 companies consisting of financial services, new product organizations, FMCG, management consulting and information technology. The investigator used a culture assessment model (Scenario based case analysis) as a backdrop to the research model outlined below. The researcher used 8 comparable organizational models and 8 leadership models providing the interviewee 8 alternatives to chose 4 organizational types and 8 alternatives to choose 4 leadership types. The 16 alternatives helped connect leadership influence on organizational culture in the intellectual company.

## **2. Final Study**

Subsequently in the final analysis, the researcher expanded the number of companies and consequent sample concerning top management as well as other levels of management to over 204 interviews; back ground research and some degree of in depth analysis. The additional companies enable the formation of the case studies. This was done in respect of a few companies (Andersen, Citibank N A, Lalbhai Group, Anagram Finance – (Morgan Grenfill/Wellington Asset Management Company) Schoolnet (IL & FS) India, Pfizer Incorporated, BNP Paribas Banking Corporation, Quintiles Corporation, ICICI Corporation, Whirlpool Corporation, Amtrex Hitachi, HDFC Bank etc). For the remaining companies of the sample a basic understanding of the company, particularly in regard to leadership style and cultures were elicited. Sufficient material could not be obtained for a detailed case analysis. This was made possible owing to the personal experience of the researcher in these organizations and the willingness of some of their top management to participate in such a detailed study. The sample number of companies researched is provided below:

	Primary & Secondary Research Sample			
Sample Company Profile	Company	Primary	Secondary	Total
	Numbers	Respondent	Respondent	Respondent
Consulting	3	8	6	14
Education	8	15	5	20
Financial Services	10	30	18	48
Diversified/F M C G	28	54	28	82
Intellectual Company	6	12	4	16
Technology/Communication	13	17	7	24
	68	136	68	204

**Figure: 2 Primary and Secondary Research Sample Data**

### Step 1

Various scenarios were structured to identify dominant characteristics in organizational and management models, culture and leadership as it influences each other. Each of these scenarios were provided for in the various case studies (constructed for a small sample companies) and Scenarios provided below for the purpose of interviewing. These scenarios facilitated obtaining data, including quotes, in the course of the research.

- Scenario 1: History and Tradition of the Organization
- Scenario 2: Structure and Hierarchy Influence, Management Style, the Role of the CEO in building organization vision
- Scenario 3: The Role of the CEO in regard to strategy processes technology and people actions and leader's influence in the existence of specific types of cultures
- Scenario 4: Leadership Style as practiced by the management groups
- Scenario 5: CEO focus on performance, climate, communication, and HRM practices, on monetary reward programs and influence over high performers, and management attention on retaining high performers.
- Scenario 6: Role of the leader in building work processes, in managing people strategy issues, and organizational emphasis on competing and performing in a complex environment.
- Scenario 7: Leader's emphasis on building future leaders through mentoring, coaching and teaching, emphasis on team work
- Scenario 8: Role of the CEO in enabling organization to restructure and right size.
- Scenario 9: Role of the CEO in preparing the organization to change as required.
- Scenario 10: Leader's role in sponsoring innovation, new ideas, take risks and implementing experiments and
- Scenario 11: CEO's role in enabling inters dependencies between functions, businesses, technologies and the organization as a whole.
- Scenario 12: The Leader as a person – Vision, values, beliefs and the dream
- Scenario 13: The Leader's emphasis on the Individual and the Intellect, and a role in building individual and organizational knowledge
- Scenario 14: The CEO's role in emphasizing on culture aspects pertaining to empowerment, delegation, individual contribution, accountability and

- Scenario 15. CEO's role in actively participating in attracting, retaining and rewarding star talent and performers
- Scenario 16: The Leader's role in helping the organization retains an open mind to an unknown environment.

## **Step 2**

Thereafter specific scenario based definitions for Organizational and Management Models 1 & 2 and Leadership Styles Model 1 & 2 were constructed driven by conceptual outlines and definitions for what did each of them mean. This in turn enabled the survey feedback and content analysis as one of the additional methods apart from scenario to test for leadership and its influence on organizational culture in the intellectual company.

In order to effectively provide a conceptual background to the survey feedback and to facilitate content research, the Researcher constructed specific definitions pertaining to the following:

1. **8 types of Organization and Management Models. - OMM**
2. **8 types of Leadership Styles. - LSM**
3. **4 types of Organizational Cultures based on Edgar Schein model of 3 cultures. - OCM**

The definitions (organization and Leadership) provided were critical for the survey feedback and content analysis used by the researcher while interviewing or studying organizations and their



leaders. The definitions enabled the researcher to type organizations and classify them into various categories of organizations or leadership styles. Thereafter the researcher super imposed the leadership style on these organizations and studied them for their appropriate culture. The researcher had also intended to refine these definitions on completion of the research and validate its meaning, exhaustiveness of its implication to the sample studies based on the research finding. This has since been done.

Organizational and Management Model (OMM M1) – Model 1 to connect its relevance to leadership style as it impacts culture. An appropriate forced ranking instrument was used to a small sample to obtain respondent ranks.

A scenario-based analysis was undertaken to study the influence of leadership on the culture of an organization. Each of the scenarios was presented to the research sample and their comments were noted. The scenarios were constructed to provide research material to, for example, a matrix on how do organizational models, culture and leadership integrate with one another. The results were then converted into organizational case studies to demonstrate influence of leadership on the culture of an organization in the context of a specific organization and management model.

#### **Illustration**

**Figure 3: Sample Company Analysis as they Relate to Culture, Leadership and Organization Model**

ORGANIZATION	CULTURE			
	Executive	Operator	Engineering	Evolving
Human Organization	The People Strategist			
Learning Organization	The Teacher		The Teacher	
Institutional Organization	The Builder			
Competing Organization	The Visionary			

Example: In organization X defined as a Human Organization, People Strategist is the preferred leadership style that in turn influences an executive culture. Or in a Learning Organization, the Teacher is a preferred leadership style and influences both the Executive and Engineering culture. Those all-4 cultures tend to be possible in a Competing Organization that has a Visionary leadership.

### Step 3

Based on the above objectives and scenarios pertaining to organizational culture, organizational and management models and leadership styles and HRM practices of the study the following 10 NULL HYPOTHESES were framed:

#### 1. Null hypotheses

- There is no correlation between the leadership style of the CEO and the manifest culture of the organization.
- The CEO has no role to play in the culture of the company.

- The three cultures, Operator, Engineering and Executive cultures exist on a mutually exclusive basis in all the companies. i.e. No company will have one identifiable culture.
- The CEO/leader do not directly influence the existence of any one/all of the three cultures in the company.
- There is no correlation between the three cultures and the different functions (Marketing/Production/Finance/Personnel/Research/IT etc) of the company.
- There is no definite management style(s) of the top management (direct reports and company defined top management excluding the CEO) that influences the culture of the organization?
- There is no difference in leadership style and that are available in the companies being studied.
- Leadership does not influence and direct the culture of an organization through HRM practices/ processes like hiring, training, performance appraisal, compensation, rewards and communication.
- The CEO would not focus on monetary reward program for retention of high performers.
- Top management time is not spent on managing employee retention activities.

**2. Variables:** The information pertaining to the following variables were included for study

- Age
- 
- Education
- Functional Background (Marketing/Finance/HR/R&D/IT/Manufacturing/Others)
- Company Information (Finance/Employee Headcount/Others as appropriate)

Information related to the above variables were collected, as was available for each of the sample cases.

**Independent Variable: Leadership:** That leadership independently influences the creation and institutionalization of culture in organizations. Leadership in turn performs the role of directing and influencing organizational performance. Leadership includes the CEO and all other top management employees who perform a role in managing people.

**Dependent Variable: Culture:** That Culture creation, institutionalization and transformation across inter/intra organizational networks is dependent on the leadership of the company.

	Demographic Profile of Companies Studied		
Listing of	Company Profile	CEO / Leader Profile	Top Management Profile
Select Companies Only			
<i>Consulting /Services Firm</i>	Global Multinational	Home Grown	Mostly Home Grown
<i>A</i>	Over 1000 Employees	40 Years	Average Age - 42
<i>B</i>	Multiple Functions	Multiple Functional	Multiple Functional Exp
<i>C</i>	5 - 19 years Old	Post Graduate	Post Graduates
<i>Education Company</i>	Indian Institution	Home Grown	Lateral Hires
<i>D</i>	Over 500 - 2000 Empl	42 Years	Average Age - 45
<i>E</i>	Multiple Functions	Multiple Functional	Generalists & Specialists
<i>F</i>	5 - 17 Years Old	Post Graduate	Graduates & Post Grads
<i>G</i>			
<i>Financial Services</i>	Global MNC/Indian MNC	Home /Lateral	Lateral Hires
<i>H</i>	Over 1500 - 3000 Empl	45 - 55 Years	Average Age - 42
<i>I</i>	Multiple Functions	Multiple Functional	Generalists & Specialists
<i>J</i>	10 - 50 Years	Post Graduate	Graduates & Post Grads

<i>Diversified Company</i>	Indian MNC/Global MNC	Home/Lateral	Lateral Hires
<i>K</i>	Over 4000 - 10,000 Empl	35 - 50 Years	Average Age - 40
<i>L</i>	Multiple Functions	Multiple Functional	Generalists & Specialists
<i>M</i>	15 - 70 Years	Post Graduate	Graduates & Post Grads
<i>N</i>			
<i>Intellectual Company</i>	Global MNC	Home/Lateral	Lateral Hires
<i>O</i>	Over 1500 - 2500 Empl	36 Years	Average Age - 50
<i>P</i>	Multiple Functions	Multiple Functional	Generalists & Specialists
<i>Q</i>	10 - 25 Years	Post Graduate	Graduates & Post Grads
<i>Technology Company</i>	Global MNC/Indian MNC	Home/Lateral	Lateral Hires
<i>R</i>	Over 1000 Employees	45 Years	Average Age - 35
<i>S</i>	Multiple Functions	Multiple Functional	Generalists & Specialists
<i>T</i>	5 - 20 Years	Post Graduate	Graduates & Post Grads

**Figure 3: Demographic profile of Companies, Leaders and Management Sample Studied through Primary and Secondary Research**

**And a select set of companies for which Demographic Profile of Select Companies Studied and its list is provided. (Sample Exhibited)**



## List of Select Companies

	<i>Diversified Company</i>	<i>Intellectual Company</i>
<b>Listing of</b>	<b>Lalbhai Group</b>	<b>Pfizer</b>
<b>Select Companies Only</b>	<b>Amtrax Hitachi</b>	<b>ILO</b>
	<b>GE</b>	<b>Clinical Diagnostic</b>
<b>Consulting /Services</b>	<b>Coke</b>	<b>Cadila Pharma</b>
<b>Andersen</b>	<b>Cadbury</b>	<b>Quintiles</b>
<b>Renaissance</b>	<b>Reliance</b>	<b>DNV</b>
<b>KSA Technopak</b>	<b>Al Suwaidi</b>	
<b>3</b>	<b>Nestle</b>	<b>6</b>
<b>Education Company</b>	<b>Kotak Mahindra</b>	<b>Technology Company</b>
<b>Schoolnet India</b>	<b>Sundaram Group</b>	<b>Satyam</b>
<b>Yashada</b>	<b>Conagra</b>	<b>Talisma</b>
<b>Idika Education</b>	<b>Sintex Industries</b>	<b>Zenar</b>
<b>IIM M Pune</b>	<b>Castrol</b>	<b>Wipro</b>
<b>KIIT</b>	<b>MICO</b>	<b>Vanguard technology</b>
<b>APN Group</b>	<b>ITC</b>	<b>Vismaya Tech</b>
<b>IIM Bangalore</b>	<b>Goodyear</b>	<b>Kale</b>
<b>J Digital Media</b>	<b>Pepsi</b>	<b>Bharati</b>
<b>8</b>	<b>Tata Group</b>	<b>A Telecom</b>
<b>Financial Services</b>	<b>Hero Honda</b>	<b>Philips Software</b>
<b>Citibank /</b>	<b>RPG Group</b>	<b>Aptech</b>
<b>Anagram Finance</b>	<b>Chanrai Group</b>	<b>TCS</b>
<b>Transamerica</b>	<b>Indus League</b>	<b>HCL</b>
<b>ICICI</b>	<b>Jindal</b>	<b>13</b>
<b>IDBI Bank</b>	<b>Land T</b>	<b>TOTAL 68</b>
<b>BNP</b>	<b>Blow Plast</b>	
<b>Crisil</b>	<b>Whirlpool</b>	
<b>Bank America</b>	<b>Maruti</b>	
<b>Metlife</b>	<b>Unilever</b>	
<b>HDFC</b>		
<b>10</b>	<b>28</b>	

**Total - 68 Companies**

The above profile presentation provides a set of select companies of which CEO's/Top management interviews were conducted in regard to specific aspects of the research.

**Figure: 4 List of Select Sample Companies Studies**

### 4. Instruments

Select set of tools, procedures deployed for conducting the research are explained below.

## Tools

- Survey Feedback and Process Observation and Interviews (Checklist Approach) were conducted as appropriate amongst CEO's, leaders and management. Where appropriate secondary verification, third party view were also obtained.
- Scenario Based Analysis and Forced Ranking Method was utilized to study comparisons between organizational culture, organization and management models and leadership styles. In this instrument the questionnaire was divided into 8 discrete parts. Parts A through to Part H, Part A being forced ranking on Alternate Cultures, Part B and C being forced ranking on alternate organization and management models, Part D and E being forced ranking on alternate leadership styles. Part F focused on forced ranking the organization and management models together, Part G had a 2 point scale, Agree/Disagree, on proving the 10 null hypothesis. Part H had 16 Scenarios defined and the respondents were asked to again, Agree/Disagree (2-point scale) with each of the scenarios.
- Case Study/Illustration Approach was utilized extensively to study CEO/Leaders and Top Management responses.
- Significant literature survey, secondary research on to compare work done in the independent areas of culture, leadership and organizational and management models and specific work, if any, connecting all three aspects together in the context of organizations.
- Content analysis of all data generated through scenario mapping, interviews, survey feedback and process observation and relevant secondary research to design specific case studies.

## **Procedures**

- All of the above was conducted keeping in perspective CEO/Leader time availability to respond to detailed instrument or interviews and appropriate secondary research was conducted to corroborate personal findings
- Several CEO/Leaders/management personnel were administered small sets of scenarios, surveys and personal interviews to support each company findings. (For example retired and resigned top management personnel were also met with to support organizational findings).
- To facilitate adequate content research specific quotes and responses were also obtained on various aspects of the study.
- To demonstrate validity of the case lets written as a part of this research, select published material was utilized to demonstrate easy understanding of the concepts attempting to be established by the researcher.