

Developing Organizational Leadership

Sampat P Singh

In this review article, Sampat P Singh reviews two books on leadership title "Can Organizations Develop Leaders?" and "The Leaders' Shadow." He evaluates the progress made in defining, understanding, and developing leadership. Readers can link it with S Ramnarayan and Niti Pandey's review of the book "Building Leaders: How Successful Companies Develop the Next Generation" that follows this article.

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The last two decades of the 20th century will be known for the unprecedented interest all over the world in leadership issues. As a result, large amount of literature on the subject piled up during this period. A major part of these contributions has been research output of behavioural scientists. It is now time to seriously evaluate the progress made in this field.

Can Organizations Develop Leaders?

Two recently published books on leadership have been chosen for comments. One is Ishwar Dayal's **Can Organizations Develop Leaders?** (New Delhi: Mittal Publications, 1999). The author starts with some questions: Can organizations develop leaders? What are the factors contributing to leader's development? Are there some common factors? Are leaders born or made? How do leaders differ from non-leaders? and so on. For the purpose of the study, he has picked up a sample, developed a questionnaire, and analysed and interpreted the results. Thus, it is an orthodox sociological study carrying with it all the limitations of such studies: focus on the parts without linkages with the whole. Objectivity, set concepts, and scientific methodology make the study academically acceptable. It is not necessary to go into details. They follow familiar lines and go well with research already done on the subject, particularly in India.

The major focus of the author is on development of people. He emphasizes that, in India, the focus of business organizations has been asset creation and not development of people as against the practice in the West. He identifies the factors that help the process of leader development. These are: developing an urge to achieve; the process of maturing; and the process of becoming oneself. This constitutes the core of the book. He then elaborates. Most managers use all forms of influence to get the job done by their subordinates. A leader, on the other hand, is concerned about the growth and development of the individuals working in his team so that they on their own want to achieve results. This marks the difference

between the managerial role and the leader role. This type of formulation is all right insofar as only one criterion of distinction between the manager and the leader is concerned. But, to identify leader's role only with development of achievement motivation is to take a partial view of the total role. This issue is discussed a little later.

The focus of a sociologist is by tradition to look outward, or cognitive perception, and on the objective facts gathered through field research. It is really encouraging to find that the author extends these boundaries. For example, on the process of becoming 'oneself,' the author is willing to turn inwards, or to subjective facts. On this theme, he writes that, in almost all interviews, the individuals mentioned that to achieve this they continued to read a great deal and interact with people. There was continued emphasis on learning. Using such intuitive knowledge and insight appeared to be a strong characteristic of leaders. This showed the importance of internalizing the knowledge and enhancing their "wisdom" and becoming a distinct entity, of becoming "oneself."

The book offers many suggestions to take steps within organizations to promote leader development. Often, there is a demand for concrete suggestions and those who need them can pick up some of these ideas from the book to put into action. But what is more important is understanding in depth what one is really trying to do rather than finish up with mere symbolic action which is visible at least for the time being.

The Leaders' Shadow

It is heartening to note that some more serious researchers in this area are getting involved in the process of turning inwards. This is covered in the second book by Judge Q William titled **The Leaders' Shadow** (New Delhi: Sage Publications, 1999). The subtitle of the book is very interesting: "Exploring and Developing Executive Character." Moreover, the contrast with the subtitle of the first book is more interesting. The subtitle of the first book is "A Study of Effective Leaders." In the first book, a few cases of successful leaders in recent years in India have been studied. These have been discussed in detail. The names have been disguised. In Case A the person can easily be identified. It would be difficult to fit Cases A and B in the category of leaders howsoever successful they might have been as professional managers. For example, Alfred P Sloan and Henry Ford cannot be put in one category. Case C can easily

fit in as an example of successful leadership. There is in this case a lot of fulfillment of dreams, the spirit of a rebel, an inner urge to prove one's talent, to do and make possible what others consider impossible, and to carry people with you.

In contrast, the subtitle of the second book focuses on the concept of character. And further, this has been linked to Carl Jung's concept of the 'shadow.' This indicates a genuine effort to turn inwards and focus on the working of the minds of the leaders and their followers.

In its form, the second book is also written in the traditional mould, but substance differs. There is a sample, a questionnaire, interviews, analysis, and interpretation. In other words, most of it is presentation of empirical research results. But, what makes it different from the first book is the range of concepts which is much wider than the traditional sociology. In fact, a comparison of the indices at the end of both the books shows the wider conceptual coverage of the second book. The chapter headings are also somewhat more inclined towards the subjective than the objective. Some interesting examples are: Personalities of Executive Leaders, Personal Values of Executive Leaders, Spirituality of Executive Leaders, Creating a Vision of the Future, Creating Organizational Trust, and so on.

The core concept running through the second book is Carl Jung's concept of the shadow. It is important to note that reference to Jung is his 1933 collection of essays titled *Modern Man in Search of a Soul*. Carl Jung is famous for forcing his way into the world of mystery in an attempt to demystify some part of it. He was of the view that just as people cast physical shadows, they also cast psychological shadows. The latter can provide valuable information if an effort is made to analyse it. Unlike conventional work which focuses on material progress and tangible result, shadow work requires us to go within and make learning part of our inner being. Not mere 'learn it,' 'use it,' but also 'live it.' Recently, attempts have also been made to define a leader as "a person who has an unusual degree of power to project on other people his or her shadow or his/her light." The "shadow" and the "presence" of the leader as a person have always proved to be valuable character traits. In fact, a leader has special responsibility for what is going on inside himself otherwise he may do more harm than good. The most significant examples of this distinction in the history of the 20th century are Hitler, Gandhi, and Mao.

This book is somewhat 'different' and therefore specially attractive because it focuses on leadership development as an inward journey of self development. Yet it does not totally go against the more traditional views of leadership which focus on what leaders do in their external worlds. It is especially emphasized that leaders should focus on developing their character — the newer structure of being which guides perceptions and actions. Character has been defined as a composition of the inter-related dimensions: personality, personal values, and spirituality. Leaders have the ability to force others to do their will, the ability to get what they want. This means the power of the leader over the followers. But power can be destructive, productive, and integrative.

Challenges for Researchers

Leadership concept has its roots in the concept of hero who is ideally defined as a person who can stand up for "good in life." They are generally perceived as somewhat pure of heart and mind; driven more by inspiration than motivation; more keen to contribute, to give than to get. It is for this reason that there is now a rebound from deculturization back to acculturation with emphasis once again shifting to beliefs, values, and ethics.

Leadership is an atavistic phenomenon. It does not need much imagination to look back and realize that human life must have started with a couple: a husband and a wife. The same idea can be extended to imagine one of them as a leader and the other as the follower. History then takes over and in it there are stories of hunters, tribal chieftains, plunderers, adventurers moving then towards kings, religious leaders, and business barons.

There are two ideas which have always been associated with leaders: dreamers trying to fulfil their dreams, and, heroes trying to fight for glory and ideals. Adventurism and taking high risks are integral parts of the process. Somehow, with the rise of democracy and under the growing influence of the ideas of freedom, equality, and justice, there has been rise of anti-romanticism and with it anti-heroism. Books in the past were written on heroes and hero-worship, the role of the hero in history; and then the countermove, particularly by the realist Tolstoy who tried to demolish the 'greatmen theory of history' and to argue for the 'situational theory of history.' Of course, the 20th century expe-

rience with Hitler and Stalin, heroes turning into villains, gave support to the feeling against leaders as dreamers, heroes, and charismatic personalities. Growing population and the rise of the masses further contributed towards pushing into the background the long standing traditional concept of leadership.

Following Tolstoyan theory, it follows that Gandhi made no difference. The situation proved critical: If not he, someone else would have filled the gap to play the role. A stage has now reached when it is asserted that "Last Year's Man of the Year will become the Man Forgotten Today," Isn't it the moth's philosophy of life, who jumps on to candle's flame to burn itself for instantaneous pleasure and sacrifice life itself? It may mean success and momentary pleasure. Will it satisfy the human beings in the long run? Will history be confined only to events? Is the end of the idea of human values inevitable?

The result of the countermove has been somewhat disturbing. What has happened is that society in general is now getting concerned about the growing feeling of leaderlessness in all walks of life. There is more emphasis on adapting to the environment and becoming willy-nilly victims of determinism. In general, the comment is: where are the people who can stand up and are willing to fight the growing negativities in the environment and give society in general and organization in particular new and more promising sense of direction? Countermoves were functional only to the extent that they served as countervailing social forces. Change does not wipe off continuity completely.

What has happened is that the traditional concept of leadership has got very much diffused. The current trend is threatening to demolish it. A reading of the current literature on the subject indicates that concepts of the organizational leader, the professional manager, and the chief executive are being used as synonyms. Examples of Steve Jobs, Matsushita, and Verghese Kurien are becoming more scarce. It appears that epics of Homer from Greece and of Vyas and Valmiki in India which identified the concept of the hero

with leadership and hence courage and the will to fight have lost their influence on current literature leading towards more mystification of the idea of leadership. Some interesting themes in current literature are: from hero to celebrity, and, from charisma to image, from actor to star, from art to craft, leading towards a philosophy of pseudoism.

Is it possible to forget the traditional concept of leadership completely and go ahead with research and writing on leadership? Do we want to retain the form and lose the substance? Big and complex organizations would lead inevitably to diffusion of leadership role, but that may not justify treating all first-line supervisors, or, even all chief executives and departmental heads as leaders. Moreover, cartersian

Conger, Jay and Benjamin, Beth, **Building Leaders: How Successful Companies Develop the Next Generation**, San Francisco: Jossey-Bass Publishers, 1999.

It is widely felt that the problem with several organizations is that they are overmanaged but underled. Progressive organizations, therefore, concern themselves with how they can get their managers at different levels to exhibit dynamic leadership qualities. As the authors point out, organizations would need effective leaders throughout the organization to cope with factors such as faster pace of environmental and technological change, greater international competition, increasing work force diversity, and new and different relationships between employees and employers, organizations and their suppliers, customers, and so on. How can leaders be developed? What are the different methods and approaches that organizations use to develop leadership talent? What are the pitfalls to avoid? This book addresses these issues.

The authors discuss three principal approaches to leadership education: individual skill development, instilling organizational values that promote leadership, and strategic interventions. *Individual skill development* is aimed at heightening the individual's appreciation for leadership and strengthening motivation to develop leadership. It seeks to facilitate skill development (for example, communication skills), provide personalized feedback, and align management and support systems to promote and reinforce ongoing leadership development. *Socializing company vision and values* promotes common understanding of organizational vision/ intended culture, and clarifies

efforts to stop looking at the problem as a whole and dividing it into smaller problems and solve in parts can hardly prove fruitful. Basics come first. Modern literature on leadership started with the pioneering study of J M Burns' *Leadership* (1978). The author was a true academic leader; now we are in need of followers. Already questions are being raised: what does academic work on leadership in the last 20 years and more all add up to? Where does it lead us to? Is it gradually taking more and more the character of a pedagogic commodity? After all, leadership is a role and a process which is focused more on choosing the road than on kilometres covered. One must have talent, but talent needs honing. Leaders shape followers and followers shape leaders. These are some of the enigmas and enigmas are the essence of leadership. In this area, understanding helps more than knowledge.

roles and responsibilities to advance them. It fosters continuity by socializing new or up and coming leaders to the organization's history and values. Finally, for *strategic leadership initiatives*, educational formats focus on action learning, task forces, and facilitated group discussions to identify organizational initiatives that can accelerate a major strategic change. Leadership development is oriented to helping business and business leaders achieve the corporate priorities.

Individual Skill Development

Conger and Benjamin state that individual development programmes aim at not only improving leader effectiveness, but also personalizing the development experience to the leader's individual capabilities. They describe some best practices which should be of interest to practitioners from the industry as well as professionals working in the field of executive development. The best practices, discussed by the authors, include:

- Building the programme around a set of competencies and desirable skills, and setting out clear goals/objectives for the programme.
- Ensuring the integrity of the participant selection process by sticking to the intended objectives and clear selection criteria.
- Careful pre-course preparation.
- Providing opportunities for direct and objective feedback (say, through 360 degrees feedback) to reinforce learning.
- Using multiple learning methods to enhance conceptual awareness, feedback, skill building, and personal growth.

- Having multiple sessions over extended learning periods to allow time for developing individual skill areas and to provide opportunities for deliberate, focused, and repeated practice.
- Ensuring that organizational support systems like performance appraisal, reward system, support of supervisor, and links to job assignments are in place.
- Ensuring that the programme trains a sufficiently large number of individuals so that there is ongoing social support and pressure for new ideas and behaviour.
- Planned follow-up of the programme.

Individual case studies are presented to illustrate the above best practices.

Instilling Organizational Values

The book, then, describes programmes that focus on socialization of values and vision. These programmes promote a common understanding of the organizational culture and clarify the roles and responsibilities to advance them. Such programmes have two main objectives: (a) indoctrinating new leaders to the company's core vision and the values formed throughout its history; and (b) facilitating career transitions by involving new leaders in a dialogue about their upcoming roles and responsibilities. Thus, these programmes focus less on developing individual skills and talents and more on imparting a collective ethos and leadership philosophy that is acted upon as much as it is acknowledged.

Leadership development programmes can facilitate and expedite the socialization process in numerous ways:

- They bring attention to the importance of corporate values and make those values explicit.
- They provide conceptual models that guide decision-making consistent with those values.
- They acknowledge apparent contradictions in values, strategies, and objectives and resolve them by specifying priorities.
- They structure interaction among new and existing leaders, encourage collective dialogue about what the stated values mean, and educate incoming leaders about their new roles and expectations around performance.

Strategic Interventions

Finally, the authors point out that learning how to manage the speed, direction, and intensity of strategic and organizational change will be a key driver of corporate success in the coming years. This learning is required not only of the organization's most senior leaders, but of leaders throughout the corporate hierarchy. The components of this new form of leadership are the capacity to think critically, to plan strategically, and to draw upon the insights of others. At different levels, leaders must be able to create strategy and lead change. They require to have a common understanding of what it means to be strategic given the organization's immediate and long-term goals. Thus, leadership development represents a strategic intervention that is able to not only bring about change but to build many of the organization's competencies. It serves the dual purpose of building critical capabilities while at the same time achieving real-time business needs.

The authors present several cases of leadership development programmes in organizations that incorporate these three roles in their educational processes in varying degrees. The cases are drawn from Ernst & Young, PepsiCo, Federal Express, the US Army, and the National Australia Bank. Some of the programmes have been described in detail, thus providing models of educational programmes for different management levels. Emphasis has been put on the importance of the action learning approach, where managers learn using issues from their own companies. Action learning involves a continuous process of learning and reflection built around working groups, more often with the aim of getting work-related initiatives accomplished.

Useful Contribution

Most of the ideas discussed in the book are, by no means, new or novel. They have been around for a long time. But it is also true that very few Indian organizations have consciously put these principles and ideas to practice and consistently pursued a set of well-designed initiatives to build leadership at different levels to meet the present and future challenges. For the managers, educators, and organizations who are concerned with this important issue, the book offers useful ideas and practical guidelines.

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Ramesh Kumar S, **Marketing Nuggets**, New Delhi: Vikas Publishing, 1998, pp 362, Rs 395.

The writing on the wall is clear — change your strategy or perish. The days of enjoying the fruits of a protected and insulated market are clearly over and marketing executives today are at their wits end to keep the bottomlines of their companies intact. The fierce competition witnessed in recent times is as much a result of the liberalization, privatization, and globalization factor as the Indian industry's failure to offer the best value to the consumers. The mergers and shake-outs that are taking place across a wide spectrum of industries bear testimony to this unprecedented competition. While, on the one hand, these are seen to be a last ditch attempt by the companies to match the economies of scale of the multinationals, on the other, they are still grappling with the problems of marketing and marketmen are clearly a bewildered lot when it comes to achieving their modest target.

In the new millennium, the domain of marketing information has become more complex and voluminous. The marketers are thus confused and their decisions are often based on intuition and personal experience. At present, they have direct access to the customer in the industrial, domestic as well as in the international market through e-marketing. The world is increasingly becoming borderless as far as market is concerned. Further, the liberalization, privatization, and globalization policies of the government have forced the Indian marketers to re-examine their strategies and evolve suitable policies to gain a competitive edge over their domestic rivals as well as the multinational companies entering our country.

It is in this context that the book under review offers valuable insights into the problems faced by the marketing executives in our country. It covers a wide spectrum of marketing concepts, highlighting the application of these concepts in a practical and Indian-specific context.

Organization of the Book

The book is divided into four parts encompassing various issues concerning different aspects of marketing. In the first part of the book, the chapters are devoted exclusively to various aspects of changing marketing scenario like technology, dynamics of market and market mix, relationship marketing, services marketing, etc. Here, the author focuses on the application of the latest techniques to the core and traditional concept of marketing. He has also

come up with new marketing jargons which are gaining importance in the marketing area.

In the second part, the author discusses various aspects of brand and its dimensions. Focusing on the strength of the brand vis-à-vis the product, the author analyses the need and benefits of niche positioning which are still unexplored or yet to be explored. In the third part, the author analyses the purchase behaviour of the consumer from different dimensions and perceptions. In doing so, the author throws light on customer loyalty and changing preferences, customer satisfaction, customer's fantasy along with feedback which are shaped by the customer's experience and expectation. It is not always possible to establish a cause and effect relationship. Instead of depending upon market strategies, customer behaviour/purchase decisions may be the consequence of multiple causation of multiple market forces acting simultaneously. This has been reinforced by the author. Different customers respond to market stimuli differently. Therefore, brand research, customer research and marketing mix are gaining in importance. Brand equity, according to the author, has become indispensable to the products and their marketers and this is a key concept discussed in the book.

The fourth part discusses issues such as delivery of service quality, selecting the right customer from among the target market, segmentation of the market, advertising, etc.

Overall Comments

In the final analysis, the winning formula, asserts the author, involves a perfect blend of quality, constant innovation involving technological upgradation, and impressive media presentation. The book is well-researched and clarifies many doubts and uncertainties that usually haunt the marketing executives and clearly spells out the bold and unconventional approach that is necessary to meet the challenges of our new economic order. The author's clarity of vision and depth of understanding make the book worthwhile reading by marketing executives. The book is indeed a good attempt to remind the marketers, managers, executives, and academicians that they can change the situation of the business world by "recognizing and managing the new paradigms" of marketing.

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Raghuram, G; Asopa, V N; Bhatnagar, Deepti; Dixit, M R; Ramani, K V; Rao, V Venkata and Sinha, Sidharth (eds.), **Shipping Management: Cases and Concepts**, New Delhi: Macmillan India Limited, 1998, Rs 685.

The book under review grew out of a management development programme on "Shipping Management" offered by the Indian Institute of Management, Ahmedabad (IIMA) with support from Vasant J Sheth Memorial Foundation, Mumbai. The objective of the programme — "to provide strategic management perspective and decision-making capacity in the shipping industry through exposure to management concepts and analytical skills" — is retained as the focus for the book. Thus, the material developed for the first five management development programmes on "shipping management" forms the basis for the book.

The book has nine parts with each part being introduced by a summary. Part I gives the background for the preparation of the book and introduces the reader to the rest of the book. Parts II to VIII cover cases and concepts in different functional areas of management. In order to develop the cross-functional skills further, a set of integrated cases are presented in the final section of the book.

Contents

Two articles in Part I introduce the context and the purpose of the book. The first article by Raghuram introduces the book, brings out the managerial focus of the book, and gives an outline of the book. The second article which is actually the text of the speech given in the inaugural programme on shipping management by Mr R K Mehrotra, Chief Executive, Foresight Ltd. gives a good overview of the growth potential of the shipping industry and how Indian executives could use it. From his experience in the industry, Mehrotra also brings out clearly the effect of government policies on the development of shipping industry in India and the need for introducing a level playing field for Indian entrepreneurs to succeed. He also outlines the areas in which the executives in shipping industry can develop into entrepreneurs.

Issues involved in sale and acquisition of a ship, a crucial decision for shipping companies, are brought out in Part II in two well-documented cases. Sinha's case on investment analysis covers various issues in the purchase of a ship. The case would help the student to identify the multi-dimensional and uncer-

tain nature of decision environment and alternative strategies available for mitigating the risk. The next case by Bhatnagar focuses on the negotiations that took place in the purchase of a ship. While bringing out the importance of tangible elements such as price, the case, however, focuses on the organizational dynamics in the negotiation process. The case also highlights various other issues related to purchase of a ship such as the place of delivery, inspection of records, and delivery schedules.

Giving vessels to customers for voyage, called chartering, is an important element in the revenue streams of a shipping company. Chartering can be for a limited time period (time charter) or for one or more number of trips (voyage charter). As strategies for chartering have an important influence on a shipping company, managerial issues in chartering of vessels are covered in this part through two cases and one article. "MV Jewel of Asia" by Asopa deals with disputes that could arise between a shipper and a shipping company in chartering of vessels. The case also demonstrates the need for an exporter to understand the fine print in charter agreements to avoid later complications. The next case, also by Asopa, deals with the liability and responsibilities of a shipping company, port, and shipper (exporter) in moving the cargo. The specific issue under focus — relevant to many navigators on sea is can the mate of a vessel refuse to issue a clean bill of lading if the cargo is contaminated? If so, what remedies does an exporter have for moving his cargo? The third article by Sinha on futures trading on Baltic Freight Index (BIFEX) analyses the factors responsible for poor trading of this contract on the London Commodity Exchange.

The managerial issues involved in maintenance and materials management are focused in Part IV of the book through two cases and an article. The case on Jurong Shipyard Limited (JSL) by Raghuram and Kothari provides the decision alternatives and data to study issues involved in expansion of a shipyard in strategic and operational perspectives. The second case — MV Nitya Nanak — based on the records from Director General (DG) shipping's office, gives a perspective on the state of management practices in Indian industry covering a gamut of issues such as quality of shipping, ethics in business, and standards of safety. In the next article, Raghuram and Sharma discuss the issues involved in materials management on a ship and its implications for safety and quality of service. Possible improvements in the existing practices are demonstrated by applying them to a shipping company.

In Part V, issues related to financial management of the company are presented through a case and an article authored by Sinha. The case – “Dividend Policy: Great Eastern Shipping Company Limited” – would be useful in analysing the financial portfolio of a shipping company and the issues facing them. The article on risk management brings out the risks a shipping company faces in freight market and ways to cover these risks. The paper, however, leaves out the ways in which risk could be covered in purchase of ships, a useful point in the context of issues discussed in Part II of the book.

A case and two papers are presented in Part VI on the use of information technology in the shipping industry. The case, authored by Rao, can be used to discuss the growth of information technology in a shipping company and the issues related to the development of the systems to meet the future needs of management. Details of software and hardware are discussed to develop a holistic view for developing MIS for the company. Application of Electronic Data Interchange (EDI) is the focus of the next two papers. Rao’s paper introduces the reader to EDI implementation and areas of applications in some specific sectors. Ramani discusses the need for EDI in managing a port and shows how EDI was implemented at the port of Singapore. The consequential improvements in the business environment at the port of Singapore are well brought out.

Part VII has one case and two papers dealing with practices on insurance and law. The case, based on the records in DG shipping’s office, is a good illustration of current practices in Indian maritime law and insurance. It demonstrates the difficulties in establishing a claim, role of different people in the claim process, and the complex legal procedure required for establishing the claim. The article by Tony Fernandez, an expert in the field of marine insurance, gives an overview of the areas where the shipping industry has to cover the risks, available methods to cover the risk, and how a company should develop its strategies for covering the risk. In his article on marine law, Venkiteswaran, a leading advocate in marine law, forcefully brings out, with relevant examples, why shipping executives should have a rudimentary legal knowledge in maritime matters. The article also gives a brief overview of different laws affecting the shipping industry and important provisions that a shipping executive should know to be effective in his work.

Part VIII dealing with liner shipping and multimodal transport has one case and three papers.

“Strategies for Liner Business: Canada Maritime Ltd.,” a case by Brooks, is a good tool for the students to understand the complexities of liner business in a competitive environment. It gives a good demonstration of the issues involved in management of liner business both from an operational and strategic perspective. In his article “Anatomy of Liner Freight Rates,” Desai gives a good overview of the rate fixation practices in the liner industry. The article brings out the unique practices in the liner industry such as the conference system. That the multimodal transport in India is in its nascent stage despite efforts by the government and industry is discussed in the article, “Multimodal Transport in India: An Overview” by Vasudevan, Chairman, Jawaharlal Nehru Port Trust. Drawing from his experiences as a policy maker and an administrator, he gives a good description of the policy initiatives taken by the government and the challenges that lie ahead for the multimodal transport operators. Ramani describes an interactive simulation model developed for planning of container operations in sea ports and its application to an Indian port.

Three integrated cases, presented in part IX, bring out the interrelationships between different functional areas in a shipping company. The first case, “Foresight: Integrated Case,” by Raghuram and Bhatnagar deals with the growth strategies of a medium-sized shipping company. The case would be useful not only in demonstrating the complexities of managing a global business but also the qualities of leadership, entrepreneurial zeal, and motivation required to be a first generation entrepreneur in a global business. The next case by Dixit and Raghuram deals with the issues facing an established shipping company like Great Eastern in its growth strategies. The case could also be used to bring out the “conflicts and synergies” of different groups in family run businesses. The last case by Raghuram and Kothari discusses issues facing Precious Shipping Public Company Limited in its future growth. The analysis requires an integration of current market situation to company’s investment strategies.

Overall Comments

The editors have done a commendable job of making available the material developed through painstaking efforts in printed form. This would help in wider dissemination of the knowledge and skills on various issues of management.

The cases are extremely interesting and the concepts are very well brought out. However, a

number of improvements is possible in the content and structuring of the material. While lack of focus on international trade is acknowledged by the editors themselves, the following areas need to be included/emphasized more:

- Marketing of shipping services including support services such as supply of manpower.
- Pricing of services of both tramp and liner shipping through cases.
- Structure of the Indian industry with focus on why the industry is unable to develop a strong liner shipping.
- Review of the public policies and their effect on the industry.

In order to develop cases and teaching material on these topics, the support of Indian industry is imperative. It might be beneficial to divide the book into two volumes — one for the core areas of shipping industry and the other for support services like ports to accommodate the above material and also in sharpening the focus.

With growing emphasis on foreign trade, the book is highly relevant and is a valuable addition to the sparse literature on management of shipping industry in India. On the whole, the book is recommended for teaching and training of shipping executives.

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Kao, HSR; Sinha, Durganand and Bernhard, Wilpert (eds.), **Management and Cultural Values: The Indigenization of Organizations in Asia**, New Delhi: Sage Publications, 1999, pp 332, Rs 425.

Indigenization is the gradual development of a culturally appropriate discipline that develops from the blending of an imported discipline and leads to generation of new concepts and approaches within that culture (Adair, Puhon, and Vohra, 1993). It is increasingly felt by scholars around the world that research and practice of social science discipline have to be embedded in the context in which it operates. The wholesale borrowing of foreign models and concepts needs to be critiqued and understood. This book takes a very important step in the direction of asserting the importance of contextualizing organizational behaviour. Almost every single chapter opens a new window to understanding the specific

needs and peculiarities of culture's influence on leadership, interpersonal processes, employee categorization, etc.

The book is divided into four parts — conceptual issues, work culture, values and organization, and indigenous factors in managerial leadership. The division does not serve a very distinct purpose. After reading the introduction, the reader may start from any point in the volume.

In the literature, there are three broad approaches to indigenization — reinterpretation of existing knowledge to meet present needs, adaptation of foreign models to the local context, and finding solutions to existing problems by an in-depth understanding of the cultural context and thus leading to creation of emic concepts (Berry, 1980). The first two methods are also described in Chapter 2 by Durganand Sinha.

The chapters included in this book give an excellent exposition of the values and behaviour of a wide range of Asian countries. The countries/cultures studied are China, Korea, Thailand, Taiwan, Japan, India, and Islamic culture. In one comparative study, interesting information about Germany is also available. A very brief description of each chapter is presented to give the reader a sample of the wide range included in the book.

Part One: Conceptual Issues of Indigenization

The first part consists of three chapters. The first chapter by Bernhard Wilpert is titled "Leadership Styles and Management: Universally Convergent or Culture-Bound?" and it endeavours to answer this very question, by presenting diametrically opposite results of a qualitative comparison of USA, Germany, India, and Japan and a cross-country empirical study. In the case study, the management and leadership styles practised in USA, Germany, India, and Japan were found to be divergent. However, the cross-country study of eight western nations on decision-making processes shows an overwhelming use of participative-consultative styles by all countries included in the sample. The interactive open system approach proposed by Negandhi is used to explain the differences in the results of the two studies. The author suggests that both cultural differences and factors internal to the organization are responsible for differences in management and leadership styles and consequentially only where both factors are

similar there is a possibility of a universal leadership and management styles.

In the second chapter, Durganand Sinha discusses the need for and approaches to indigenous management. The chapter begins with a listing of the reasons for management practice to become contextual. Three reasons given are: (a) mismatch between the imported management practices and the cultural values of the local context, (b) western theoretical models yielding conflicting findings in other cultural contexts, and (c) success of countries not using western style of management (such as Japan). Sinha also describes two approaches to indigenizing management. The chapter is theoretical and would be of value to researchers in this area of enquiry.

The third chapter by S Balakrishnan, K Gopakumar, and R Kanungo is on the concept and context of entrepreneurship development. The authors distinguish between the act of enterprise creation and the larger phenomenon of entrepreneurial behaviour. The focus is on the concept of entrepreneurial behaviour, which may be different at different points of enterprise creation, running the enterprise, diversifying the enterprise, etc. Entrepreneurial behaviour is distinguished from leadership and managerial behaviour. It is proposed that entrepreneurial behaviour is characterized by five traits — personal resourcefulness, achievement orientation, strategic vision, opportunity seeking, and innovativeness. The contribution of this chapter to the understanding of indigenous management is not evident.

Part Two: Work Culture

The second part has four chapters based on work in Japan, Korea, India, and a comparison of Indian and Japanese organizations.

The fourth chapter by John Fukuda is titled "Bushido: The Guiding Principle of New Japan." This chapter provides a valuable description and discussion of the nature of the Japanese culture. Many non-Japanese professionals who have worked in Japan express difficulty in dealing with the Japanese and their ways. This chapter is a useful reading for those who have felt frustrated in trying to understand 'Japan Inc.' The eagerness of the Japanese to learn and their ability to assimilate the new, while maintaining the core Japanese spirit, is described. The influence of Buddhism, Shintoism, and Confucianism on the Japanese spirit is also explained at length.

There is also a description of how the 'Bushido' spirit of self-sacrifice, reliance, perfection, and discipline has guided Japanese policies for organizations.

The next chapter looks at the determinants and characteristics of the corporate culture of Korean enterprises. Son-Ung Kim provides insights into Korean management styles of which much is not known and not readily available in the management literature. An excellent psychographic profile of a Korean employee is provided in the context of the nature of the Korean society. Both external and internal factors and their role in the development of Korean culture are described. It is pointed out that Korean organizations have strict hierarchies, reinforce collectivity-oriented values, and have family-like corporate culture with each of the three aspects reinforcing each other. The chapter is informative and is largely based on empirical studies and the author's understanding of the Korean society.

In the sixth chapter, Rajen Gupta focuses on understanding the value attached to family by Indians. The article argues that unless organizations in India fulfil family needs of their employees, they would not be able to realize the full potential of their employees. The perfection with which Japanese organizations have achieved a fit with the cultural assumptions of the society about respect to family and organizational structures is highlighted as an example to follow. Case studies of TELCO's and TISCO's inclusion of families of employees in the organization have been used for illustrative purposes. The chapter is an excellent example of a third kind of endogenous development of a discipline where solutions for existing problems are neither searched for in the existing classical knowledge nor in the adaptation of western models but in an in-depth understanding of a cultural context.

Japanese and Indian work patterns are contrasted by Anshuman Khare in the next chapter which has a unique method of studying indigenization of management techniques. Rather than commenting on the suitability of western techniques to Indian context, the author examines the suitability of practising some of the successful Japanese management techniques in India. In the process, interesting and informative comparisons are made between Indian and Japanese societies and its implications for effectiveness in organizations are discussed. On the basis of the comparisons, it is concluded that concepts, such as Quality Control Circles, Just-in-Time, and Continuous Improvement do not often work in Indian organizations because they do not correspond with

the Indian work, ethic. It is suggested that, to make management concepts work, suitable changes have to be made both in the operationalization and practice of the concepts based on an understanding of the Indian cultural context.

Part Three: Values and Organizations

The third part of the volume consists of five chapters. Chapter 8 titled, "The Evolution of Work Ethics and Management Thought: An Islamic View" by Abbas, J Ali brings forth an often under-represented, but misunderstood, Islamic influence on the evolution of work ethic and management thought in Islamic countries. The Islamic work ethic is described in detail and the influence of various Islamic schools of thought such as Tafwiz, Ikhtiar, Mutazilas, Ibn-Rushd, and Ikhwan-us-safa on Islamic work ethic is explored. The Islamic influence on management in Islamic countries is found in the emphasis on the humanistic aspect of managing people's affairs in Islam and outcomes of the relations between the state and the religion. This chapter is an excellent beginning to examine and understand the Islamic perspective on business and management.

The concept of Bao and how it is different from the western concept of reciprocity and social exchange theories is the topic of discussion in the next chapter by Choming Liu. Bao is a traditional Chinese concept and it roughly translates to reciprocity. However, unlike the western concept of reciprocity, it has two aspects — its nature and direction. Bao can be both positive and negative and has instrumental, affective, and causal dimensions. It is explained that Bao is an instrument by which people maintain equilibrium in their mutual relationships or reach certain goals in China. The practice of Bao differs according to existing relationships between individuals and clans and thus it influences basic interpersonal processes such as relationship with the leader and perception of forgiveness. Again, the chapter is a good illustration of how an indigenous concept may be better used to understand organizational processes in the local culture.

The next chapter also focuses on Chinese management practices. The topic is "Chinese Employees' Perception of Distributive Fairness." Yu Kai-Cheng and He Wei present a historical analysis of reward distribution in China. The role and relevance of equality, equity, and need norms in perception of fairness are discussed. The authors point out how

Chinese employees are very concerned and sensitive to the issue of fairness. Some reasons for such sensitivity to fairness are presented. An empirical study asked Chinese students the specific nature of the concept of fairness prevailing in China. Results revealed that the perceptions of fairness and unfairness were distinct. Perception of fairness was related to content of the situation and perception of unfairness to procedural issues.

Chapter 11 is based on Mala Sinha's (the author of the chapter) leading "vision sharing through value clarification" workshops in three organizations in India. The findings from these workshops have been summarized to postulate a model for synergy between individual and work values. Four values found to be commonly expressed among all participants were concern for family, leadership value, service, and achievement motivation, of which the latter three were also part of expressed corporate and practised values in organizations. The origin of these values is explained in the structure of Indian society and the Hindu scriptures of India. The importance of family and lack of attention to family discussed here is similar to the article by Rajen K Gupta discussed earlier in the book. This chapter describes a technique developed in the west to clarify the core values of Indian employees. The end result is a better understanding of the local context.

Chapter 12 is titled "Social Values in Organization: The Case for Countervailing Socialization." S K Chakraborty, the author of this chapter, compares the use of western management concepts in Indian organizations to playing a musical instrument with the help of a distinctive tool meant for another musical instrument. The analogy is used to emphasize the uniqueness of each culture and the impossibility of homogenizing all cultures. Based on the responses of a large sample of managers in India, it is shown that there is a prevailing contradiction amongst 'beliefs' and 'practices' and across 'practices' and 'feelings' in Indian organizations. It is contended that the basic cause behind the increase in paradoxes and confusions among Indian managers is because of non-education and misconception about the deep structural aspects of Indian ethos. The author describes his design of in-depth workshops on "Human Values and Indian Ethos." The chapter includes some testimonials from workshop participants of how the value clarification workshops have helped them in various facets of organizational life by resolving the contradictions felt by them regarding what they value and their organization values.

Part Four: Indigenous Factors in Managerial Leadership

The last and fourth part of the volume consists of five chapters that discuss *indigenous factors in managerial leadership* in China, Thailand, Taiwan, and India.

Chapter 13 by Ng Sk-Hong and Henry S R Kao is devoted to studying the logic of enterprise management in its strategic aspects. The notion of corporate statesmanship is likened to entrepreneurship in order to lay the foundation of the corporation as a smaller version of the nation state. The notion of 'statesmanship' is used not only to describe someone who maintains, organizes, and manages but also for someone who 'governs.' Governance is defined to include a personal relationship between the manager and the managed, the ruler and the ruled, and with all stakeholders in any business. It is pointed out that, in the west, corporate governance is often vested with the board of directors, but in the east, a normative mechanism which determines corporate governance may be hidden in corporate statesmanship. Two case studies of the heads of manufacturing organizations in Hong Kong and Taiwan are used to illustrate the concept of corporate statesmanship. The governance in both cases included institutional and normative checks and balances. It is pointed out that Confucian teachings have a role to play in the evolving of such leaders. The authors have attempted to enrich the concept of leadership by including aspects necessary for a leader to be effective in a collective society. The chapter is a little difficult to read in the beginning but the case studies are interesting and illustrative.

Borshuan Cheng presents a theoretical model of employee categorization and managerial behaviour used by Chinese Chief Executive Officers (CEOs). The author argues that in addition to cultural practices, market approach, and authority system, the entrepreneurial CEOs of China have had a very important role to play in the growth of Chinese economy. It is claimed that to compete in the market and to serve the needs of the consumers, the Chinese CEOs joined co-operative networks to form consumer-oriented alliances. Internally, within the organization, the CEOs raised productivity by categorizing employees on the basis of *guanxi* (relationship), *zhongcheng* (loyalty), and *chaineng* (competence). A theoretical argument is presented to show that Chinese organizations have been able to raise their productivity by this dynamic categorization and by provid-

ing a flexible and supportive climate, and access to resources to the employees who are related to the CEO, are competent, and loyal. This chapter is an excellent case of how the cultural milieu may best provide a way of organizing the workforce to increase productivity in organizations.

Shu Cheng Chi (Chapter 15) presents a unique leadership support role performed by *chin-shins* (close and trustworthy persons) in Taiwanese organizations. A *chin-shin* has a special status in any organization and is located near the centre of the *guanxi* (relationship) circle of his/her leader. The relationship between a leader and a *chin-shin* goes beyond instrumental social exchange and is characterized by one that moves from transactive to affective. It is proposed that successful *chin-shins* possess the moral assertiveness to differentiate between good and bad and speak their mind to the leader even if it goes against the will of the leader. *Chin-shins* do not work for personal credit, follow the guidelines of the leader, and do not want to take the place of their leader. A *chin-shin* would typically perform five roles — be a decision aide to the leader, act as a public relations agent, aid the leader in impression management, be an information gatekeeper, and be a resource controller. An empirical study of perception of *chin-shins* by subordinates and themselves is presented and it is found that *chin-shin's* roles are perceived to be more complex by others than by *chin-shins* themselves. It is also added that the Chinese history has numerous examples of effective *chin-shins* and even today, a greater understanding of this special person in helping the leader to carry his/her task may be used to the advantage of Taiwanese organizations. This is another example of use of indigenous cultural knowledge for improving understanding of important concepts such as leadership.

In Chapter 16, Suntaree Komin presents the Thai concept of effective leadership. This chapter creatively juxtaposes western concepts and theories and Thai culture and research. The result is an excellent piece for reading and understanding about Thai workers and their context. The chapter focuses on characteristics of an effective leader in Thailand. It is proposed that the personality profile of a successful Thai leader is one who is non-aggressive, competent yet polite, *onnork khaeng nai* (soft outside, firm and tough inside), decisive, and someone who is loved and respected by his/her followers (*Baramee*). The importance of the concept of *Baramee* in a leader in Thailand is discussed at length.

Effective managerial style in the Indian context is studied by the use of Style Profile of Influence Roles in Organizations (SPIRO) in the last chapter in the volume by Satish K Kalra and Rajen K Gupta. SPIRO was developed by Udai Pareek and is based on the interaction between ego states (as defined in transactional analysis) and functional influence styles. In the two organizations studied (one private and one public), most effective managers used rescuing (patronizing) as well as supportive, normative, and problem-solving oriented styles of influence. However, when patronizing was used along with prescriptive, task-obsessive, and aggressive managerial styles, the manager was perceived as ineffective. It is claimed that appropriate managerial styles can be the key to more productive subordinates and in turn organizations. The chapter is an important beginning in the search for more culturally appropriate styles of managing.

Overall Evaluation

Except Chapter 3 on entrepreneurship and Chapter 2 on approaches to management, the other chapters provide an excellent source for managers who would like to know more about managerial practices of a particular country/culture.

This book is a much better source for practising managers who work in cultures not native to them than much of the pop material available which claims to teach how to do business in a particular country. This is not to say such books should not be read;

but unless accompanied by a deeper understanding, such as provided in this book, a manager's knowledge would not be complete. Also, this book can be a rich source of information for trainers in cross-cultural management.

The book is also an excellent resource for cross-cultural management researchers. It provides access to material in languages not read and understood widely by researchers. It would facilitate communication among researchers if the editors would have provided email or postal addresses of the contributors to this volume. The editors may incorporate the suggestion in the next edition of the book.

Overall, the positive aspects of the book and its usefulness overshadow any minor weaknesses. It is a timely book, well-written, and worth reading.

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