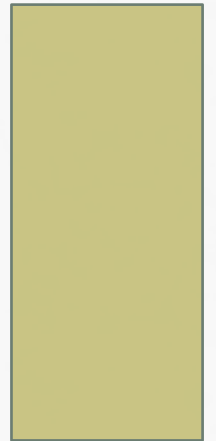


# **LEADERSHIP AND DECISION MAKING**



# LEADERSHIP

- *“Leadership is the ability of a manager to induce subordinates to work with confidence and zeal.”*  
- Koontz and O’Donnell
- *“Leadership is not making friends and influencing people, i.e., salesmanship; it is the lifting of man’s visions to higher sights, the raising of man’s personality beyond its normal limitations.”*  
- Peter Drucker

# LEADERSHIP FUNCTIONS

- **Setting Goals**

- to persuade the subordinates to work with zeal and confidence

- **Organizing**

- assigning appropriate roles as per individual abilities

- **Initiating Action**

- Take initiatives and float new ideas in interest to the group

# LEADERSHIP FUNCTIONS

- **Co-ordination**
  - Ensure voluntary co-operation from the group in realizing the common objectives
- **Direction and Motivation**
  - Direct, motivate and encourage people to do their best in achievement of desired goals
- **Link between Management and Workers**
  - interpret the policies and programs of the management to the subordinates and represent the subordinates' interests before the management.

# QUALITIES OF A GOOD LEADER

- Intelligence
- Communication Skills
- Honesty and Integrity
- Emotional Stability
- Technical Skills
- Inner Drive
- Human Relations Skills
- Creative Thinking
- Ability to Guide and Teach
- Good Understanding and Sound Judgment
- Courage to accept the responsibility

# DECISION MAKING

- **Decision**

- Choice made from the available alternatives

- **Decision Making**

- A process of selecting a course of action among several alternatives, to produce a desired result
- A process through which, managers identify organizational problems and attempt to resolve them

# TYPES OF DECISIONS

- **Basic & Routine Decisions:**
  - **Basic Decisions** are one time strategic decisions demanding large investments and long term commitments
  - **E.g.** Launching a new product/ buying advanced technology
  - **Routine Decisions** are repetitive in nature, generally concerned with short term commitments
  - **E.g.** TL's decisions on employees absence

# TYPES OF DECISIONS

- **Personal & Organizational Decisions:**
  - **Personal Decision** is taken to achieve personal goals and can not be delegated. It can affect an organization.
  - **E.g.** Relocating, Retirement
  - **Organizational Decisions** are taken to achieve the organizational objectives and can be delegated.
  - Managers are expected to make decisions based on rationality, judgment and experience
  - **E.g.** Advertising campaign, Recruitment of new employees



# TYPES OF DECISIONS

- **Programmed & Non-Programmed Decisions:**
  - **Programmed Decisions** are routine and repetitive, generally consist of rules and policies with pre-established set of alternatives
  - **E.g.** A/c opening/ Funds transfer in Banks
  - **Non-Programmed Decisions** recurs infrequently and for which there is no previously established rule or policy.
  - Such decisions are relatively complex with long term impact and therefore requires creative and sustainable solution
  - **E.g.** Launch of new advanced technology by competitor

# DECISION MAKING PROCESS

