
Leading and managing human resource in dynamic perspectives

Bashir Ahmad

Maawra Salam

Bahria University, Karachi, Pakistan

Keywords

HRM, Motivational theories, Managing Human Resources, organizational management

Abstract

Most of the theories pertaining to Human Resource Management, we follow especially in the developing countries like Pakistan have become time irrelevant. In the fast pace of technological developments, in last about fifty years the human needs, wants, physical and group requirements have tremendously changed. Urge to compete and win over has left the human values far behind. So has been the change in human behavior within the group, organizations and societies. Due to emerging sense of insecurity, individuals feel protected under the umbrella of religion, cultural grouping and compulsory alliances which means group and societal polarization. It means spending most of the energies on rivalries and frictions within the organizations.

In this backdrop, the old theories of tackling the human behaviors appear to have lost their relevance. Examples are of Maslow's Need Theory, Herzberg's Motivation Hygiene Theory, Equity Theory and so on and so forth. Interestingly almost all such theories are still taught as part of the curriculum in countries like Pakistan, India, Bangladesh and Sri Lanka etcetera. We don't ask question, rather try to justify the applicability of all these theories. Contrarily, we find change in human wants, needs and preference of life, so has to be the behaviors. Therefore, there is a need to challenge the viability of these theories in the contemporary settings of technological dominance.

In this backdrop, the paper focuses on analyzing the applicability of these theories in the materialistically dominant human behavior of prevailing times. Accordingly, it suggests a working model for organizational functioning of firms and organizations of developing world which greatly impact the developed world in many ways.

Introduction

Leading and managing human resource are two interwoven terminologies; frequently used in all business and nonbusiness enterprises all over the world. It is basically leading the human resource and managing the human resource. Alternatively, it could be leading the human resource or managing the human resource. This leads to couple of questions to critically understand and analyze leadership and management. Is 'leading' and 'managing' the same phenomenon or it is different from each other? Before that, the question which comes to one's mind is why and what far to lead and manage the people? Is leadership motivating the people to take them to a point or place where they otherwise would not have preferred to go? Else it is making them to do something which they otherwise would have preferred to decline? On the other hand, is managing the people basically means orchestrating their potentials, capabilities and skills for the optimum outputs? Else it is making them disciplined to act in coherence with defined procedures within the respective organizational perspectives? These points need to be analyzed in the present day perspective of organizational functioning and their influences on productiveness or otherwise of enterprises.

Leading and managing are applicable to traditional human resource functions like planning, organizing, directing, training, developing, controlling and coordinating etcetera in one or the other form. For example, 'planning' needs leadership and management attributes without which the process will not be holistic and conclusive. Alternatively, one can say that if you are not a leader or a

manager, you cannot plan for any profitable productive activity. Similarly, for 'organizing' and others, it essentially needs characteristics of leadership and management to make them effectively applicable and relevant to the organizational functioning. Looking at these attributes and their applications, one finds them constant; they were like this in the past, are so at present and will continue to be equally relevant in times to come. Then the question arises if so is the state of their relevance as constant factor; why to study and analyze them time and again? Are leadership and management as phenomenal art and empirical science respectively affected by socio-economic growth of societies cum communities, geo-political changes over the times, technological developments and their applications and belief systems (psychological dimensions) of individuals in one or the other form? To understand it in a simpler way; for example, if we bring Frederick W Taylor in today's organizational functioning; will he be as successful as he was in his own time? We can draw many similar examples to understand the relevance of above mentioned four cardinal factors of determining human behavior. So what we infer from the previous discussion is that leading and managing are two different approaches of the same direction basically to attain organizational objectives. One can understand the essence of leading and managing human resource in the dynamic environments of fast paced emerging technologies and changing spectrums of human behaviors therein. Therefore, leading and managing the human resource is as dynamic as functioning of the organizations itself under different conditions and environments.

Research Problem cum Theme, Objectives and Scope of the Study

Research Problem cum Theme

Effective and successful leaders and managers are those who remain relevant to time and environments. In South Asian perspective, especially in developing countries like Pakistan, the human resource as product of traditional society remains closely attached to the past in the application of their experiences and time-tested principles. The human resource in all walks of life tends to remain attached to their customs and ways of functioning and repulsive to any kind of change. Yet we aspire to make progress and develop; not realizing that advancements in quality and quantity is not possible without changing i.e. innovating and discovering cost effective methods of undertaking organizational operations. The two approaches are contradictory and mutually cancelling. There is a need to understand this gap in leading and managing human resource in today's work environments. The environments which are overdriven by rapid technological developments; those provide multiple means of information, knowledge and facilitating analysis. Leadership and management are instinctively dynamic; when they cease to be so, become rather rhetoric practices of beaten track. So how to lead and / or manage human resource under the obtaining highly dynamic environments is the fundamental theme of this review paper.

2.2 Objectives

- To explore leadership and management domains of the present day business world and organizational functioning.
- To determine success factors in leading and managing human resource in the obtaining dynamic environments.
- To develop a model of leadership and management for successful human resource functions in dynamic perspective.

3. Literature Review

3.1 Organizational Management

Integration of Human Resource: An organization's effective management depends on integration of human resource with varying potentials of influence and scale, as argued by (Barney, 1991). The organizations have different cultures and are influenced by different discipline based professionals on conflicting paradigms. A leader aspiring for organization's uplift may tend to foster culture of problem solving, conducive to creativity and risk taking. His choice of using authority for

punitive actions and decision making may affect in resolving conflicts and encouraging people to work more efficiently and effectively. (Judge & Piccolo, 2004) recognized two major modes of leaderships which may be transactional and transformational. The Transformational style of leadership is not only the compliance of the followers, it also deals with needs and the values of the followers, and shifts in believe. Further he demonstrates, "the outcome of transforming leadership is an association of joint inspiration and elevation that changes supporters into leaders and may change leaders into moral agents". There are other authors also, who have carried out subjective research on it over past two decades (Yammarino et al., 2005).

3.2 Organizational Management

Impacts of Leadership: (Bass & Riggio, 2006) distinguish leaders by their impact on followers and their characteristics. However, there is little internal processes explanation which may produce characteristics of transformational and transactional leadership. The studies of these writers say that the influence is gained by transformational leaders through their dominating personal characteristics (Bass & Avolio, 1993). Some of the leader have dominating personalities through confidence and conviction in self-righteousness. They focus on creating images, articulating goals, developing motivation and basing arguments on belief systems. According to (Bass & Riggio, 2006), there are four components of transformational leadership which include inspiration, idealization, intellectual stimulation and individualized consideration. Idealization is based on the charisma of behavior of the leader which appeals for admiration and imitation. Trust for both follower and leader is the outcome of ethics and morality which is based on harmony of actions and words. Transformational Leaders are integrated in approach and outlook; as they bring in cohesiveness of team functioning and consistency. Their authenticity and integrity resonates in the entire organizational management where there is not loser; all have win-win position. Managers in any organizational setting may have different modes of using power disregarding win-win situation.

3.3 Organizational Management

Conflict Resolutions: Conflict resolution and management is the challenging tasks for all managers and leader alike. It includes conflict management amongst followers as well as between leader and subordinates. (Alder and Towne, 1990) recognized various possible modes of actions when a leader comes across a conflict situation within the organization which includes negotiations, using authority to mandate change and accepting the status quo which amounts living with the problem. Any approach one may adopt, the results could be any of the three: win-win, win-lose, and lose-lose. Which one is to succeed; depends upon time and environments during which arguments and counter arguments take place. (George, 2003) argued that within the tough and increasingly competitive environment, leadership style of managers in service organization is more important than ever before. According to (Govindarajan and Trimble, 2005), idea of most efficient leadership is attributed towards empowering paradigms. Leader and managers with strategic outlooks are always analytical and solution seekers. That is possible only when one is aware of the changing external influencers. However, productivity is the main criteria of measuring leadership and managerial successes. It includes amounts of work completed and future direction for growth.

4. Dynamic Environments and Related Theories: Aspects of Relevance

4.1 Dynamic Environments: Meaning and Implications: Dynamic environments refer to the state of constant change in activities, surroundings and determinants of work performance by the employees. The question is what constitutes environments being dynamic or what makes the things change rapidly. The answer lies in innovations especially technological discoveries and ways of undertaking works through facilitating means which constitute environments being dynamic. It impacts the decision making process of managers and leaders alike. Decision making under time constraints implies keeping oneself abreast of the happening all the time. It is like one is chasing the events and appreciating the outcomes of various activities. Cost-benefit analysis is a continuous

process for decision making under time compressed environments. Dynamic environments put certain demands on managers and leaders of the contemporary organizations. Before going over to conclusions, it appears appropriate to relate dynamic environments with existing well known theories. What lesson, we draw from the literature review predominantly includes transformation and sustainability of organizations under the obtaining environments.

4.2 Dynamic Environments: Application of Past Theories

4.2.1 **Equity Theory:** All vibrant organizations would like competitive spirit within the organizations for quality outputs. Through the competitive environments within the organization, one would like to employ full potentials of the working hands. The question is how it works under dynamic environments? The answer lies in innovative minds making use of technology and technological means for developing models of excellence and competitive outputs. It implies that conventionalists would fall behind though their work is essentially required for sustaining work potentials. This amounts demotivating bulk of the workforce maintaining and sustaining organizations. From the preceding discussion, one infers that probability under dynamic environments equity theory will not work or should not be employed; if at all it is to be put into practice, should be done selectively among similar groups. If the reward system under equity theory is employed across the board, it becomes a double edged weapon; which means cutting more and benefiting less in numbers.

4.2.2 **Motivation Hygiene Theory:** Motivation Hygiene Theory by Herzberg deals with emotional state extending beyond satisfaction and un-satisfaction or dissatisfaction levels. It basically implies that opposite of dissatisfaction is not satisfaction and vice versa. Organizations' workplace conditions like pay and reward systems, work facilitating environments and relationships with subordinates will lead to no dissatisfaction, if these do not enhance satisfaction. Substandard hygiene factors will lead to dissatisfaction contrarily. Under dynamic environments, the information availability creates awareness among the workers. They are socially better connected now due to better communications means. For example, callous attitude on the part of the top management is going to be compared with other competitive firms. The people have become more conscious about working conditions and environments. Under dynamic conditions, higher salaries do not mean satisfaction, not dissatisfaction at the same time. So the theory becomes partially applicable under dynamic environments.

4.2.3 **Maslow's Hierarchy of Needs Theory:** Maslow's hierarchy of needs include physiological, safety, social, esteem, and self-actualization. In the hierarchy, when one need is satisfied, the next becomes dominant. Under dynamic environments, people work under time compression and tense situations in decision making and executions. Whereas they are comfortable with physiological, safety and social needs, the other two i.e. esteem and self-actualization put psychological strains under tough competitive environments. People tend to sleep during journey to their work stations and back. Leaders and managers operate under intense pressures of time constraints. Whereas they have to be quick in decision making, they need to be accurate in appreciation of the situations. This implies that under dynamic environments, leaders and managers need recessions and rotations in quicker cycles. Failing which, they are likely to be psychologically off balance.

4.2.4 **Expectancy Theory:** Basically expectancy theory focuses on the attractiveness of the outcomes and expectations. It is interplay of effort-performance, performance-reward and reward-personal goals relationships. It appears that application of modern technology and facilitating means has jeopardized the relationship of these factors. In effort-performance relationships, it is application of technology which plays predominant role not knowledge only. In performance-reward relationships, it is how unique you are, that matters so that you could create monopolistic environments. Similar is the case of reward-personal goals relationships; there is turbulence in

correlations. Hence we can conclude that under dynamic environments, expectancy theory is no more relevant to the leaders and managers.

4.2.5 Theory X and Theory Y: These theories by Douglas McGregor introduced likes and dislikes of work by the employees. Under dynamic environments, there is no question of disliking work due to ever increasing needs of living means and competitive obligations; so the theory has become partially redundant. It is the environments which make the people to work to their optimum; therefore, for dislikes of work, managers and leader are to be held accountable. It is the environments which make the people averse; they all, otherwise would like to excel.

1. Demands on Managers and Leaders under Dynamic Environments

Abundance of data cum information from multiple sources and fluid competitive environments put strain on leaders and managers to conclude earlier than competitors to avail opportunities. Just take the example of electronic media channels; the issue of survival is who reports first. The same news after some time becomes redundant and if reported blatantly rather lowers rating of that particular media group. Why it is so? Because of competition i.e. time constraints, if you do not report, someone else will report. So you have to take decision; measure authenticity against timely reporting. If you broadcast and it turns out to be false, you are heading towards lowering your credibility. Similarly, if you decide to delay it for ascertaining authentic source, at the same time, your competitor reports and it turns out to be true, you lost time thus rating. Similar is the case of functioning of organizations under dynamic environments. Managers and leaders have to make objective decisions in correct time and rationale dimensions. Under such environments, leaders and managers need to have attributes of five fundamental areas. These areas include 'Knowledge cum Awareness', 'Relevance cum Sustenance', 'Interpersonal Skills cum Management', 'Self Confidence cum Trust' and 'Prioritization cum Time Management'. The catch word for these five fundamentals is 'KRISP'; so we say that dynamic environments need 'KRISP' managers and leader to manage and lead the organizations and work functions.

5.1 Knowledge cum Awareness ('K' of 'KRISP')

Fast developing, innovating and rapidly changing technology has made the organizational functioning an interconnected work activity. Functioning of organizations has internal and external influencers which impact performance of managers and leaders. For example, geopolitics in impending environments, greatly impacts the functioning of organizations especially in MNCs. Security dynamics is part of dynamic environments in countries like Pakistan, Afghanistan, India, Iran, Sri Lanka and alike. Therefore, managers and leaders in dynamic environments need to be abreast of happening of the business world as well as geo-security, geo-politics and geo-economics. Therefore, it is not only professional knowledge of the concerned field which makes him successful, rather its wholeness in mutually impacting environments of organizational functioning.

5.2 Relevance cum Sustenance ('R' of 'KRISP')

Leaders and managers under dynamic environments have to remain relevant to the passing events and sustain changes. The world is changing faster than ever before; new realities in turbulence of business and manufacturing occur too frequently. Leaders and managers of successful organizational functioning are keeping in steps with the changing world. For example; Chinese initiative of 'One Belt One Road' is revolutionary in nature. The countries like Pakistan are passing in difficult phase of their history; the survival lies in making your organizational functioning relevant to the emerging realities and business environments emerging out of project like CPEC (China Pakistan Economic Corridor). Therefore, under dynamic environments, leaders and managers have to retain relevance to the surroundings and flexibility in planning and execution for probable changes which at times may be forced upon due to fluidity of situations.

5.3 Interpersonal Skills cum Management ('I' of 'KRISP')

Under dynamic environments, time is the deciding factor; managers and leaders have very less for interpersonal relations. How to cope up with pressing demand of spending time with working hand is a challenge for leaders and manager alike. Proficient leadership is how leaders mobilize their working hands cohesively for the attainment of shared goals. It needs time for developing relationships through interpersonal skills which definitely contribute in organizational successes. Spending time with working hands is not chatting with them at Coffee Machines, it is how to make them proficient in their respective posts to have multiplying impacts. It is rather to build comradeship and sense of community within the workplace. Interpersonal relationship is to listen to their issues and engage them to feel that they are valued. Interpersonal skills come under the category of soft skills which basically involves communication and interactions. Despite time compressions, leaders and managers need well motivated and energetic working hand which is possible only through interpersonal skills for problem-solving and pragmatic decision-making through listening and understanding practical problems.

5.4 Self-Confidence cum Trust ('S' of 'KRISP')

Self-confidence provides roots to the flourishing tree of leadership. It is built upon knowledge, awareness, and faith of efforts and invisible hands of nature. A self-confident leader would build trust on the people around him in the organization. Leadership without self-confidence is like growing a tree in the sand which has shaky roots. Lack of confidence leads to indecisiveness and stagnation or taking action when time has passed. Modern technology provides a base for broadening knowledge base for building self-confidence and trust. Technological means have become resource and force multiplier in the recent times. It depends how efficient are you in its application for obtaining information, processing data, analysis and drawing conclusions for decision making. Either you as a leader or a manager do it by yourself or employ the staff to operate it for you. Keeping staff does not work all the times, so option left is to learn it how to operate and keep updating your knowledge for new additions or facilities.

5.5 Prioritization cum Time Management ('P' of 'KRISP')

Present day lives of managers and leaders have become extremely busy. A manager who gets entangled in routine activities which could be easily delegated for others to take care, runs short of time for innovative assignments. Prioritization provides solution to time constraints for focused attention to the essentials which are critical to attain organizational objectives. It is not possible to give due attention to all matters of the organization personally by the managers and leaders. Those who strive for doing everything by themselves, in fact spread their time effort rather dissipate than concentrating or focusing attention on pivots or the most essentials. Leaders and managers, under dynamic environments, need to take care of the critical nodal points of the organizational functioning.

References

- Adler, R. and Towne, N. (1990). *Looking out/Looking In*. Columbia: Harcourt College Publishers, 416.
- Barney, J. (1991). *Firm resources and sustained competitive advantage*. Texas: Sage Publisher, 99-120.
- Bass, B. M., & Avolio, B. J. (1993). Transformational leadership: A response to critiques. In M. M. Chemers & R. Ayman (Eds.), *Leadership theory and research: Perspectives and directions*. San Diego, CA: Academic Press, 49-80.
- Bass, M. and Riggio, E. (2006). *Transformational Leadership*. 2nd ed. Mahwah, NJ: Lawrence Erlbaum Associates, 282.
- George, B. (2003). *Authentic Leadership: Rediscovering the Secrets to Creating Lasting Value*, 1st ed. San Francisco: Jossey-Bass, 240.
- Govindarajan, V., Trimble, C. (2005). *Ten Rules for Strategic Innovators: From Idea to Execution*. Boston, MA: Harvard Business School Press, 288.

Judge, T. and Piccolo, R. (2004). *Transformational and Transactional Leadership: A Meta Analytical Test of Their Relative Validity*. Florida: The American Psychological Association, 755-768.

Yammarino, F., Dionne, S., Chun, J. and Dansereau, F. (2005). Leadership and Levels of Analysis: A State of the Science Review. *The Leadership Quarterly*, 16 (6), 879-919.

Appendix- I

Essentials of Management and Leadership under Dynamic Environments: The five fundamentals of management and leadership under dynamic environments are capsulated in Figure-1 given below.

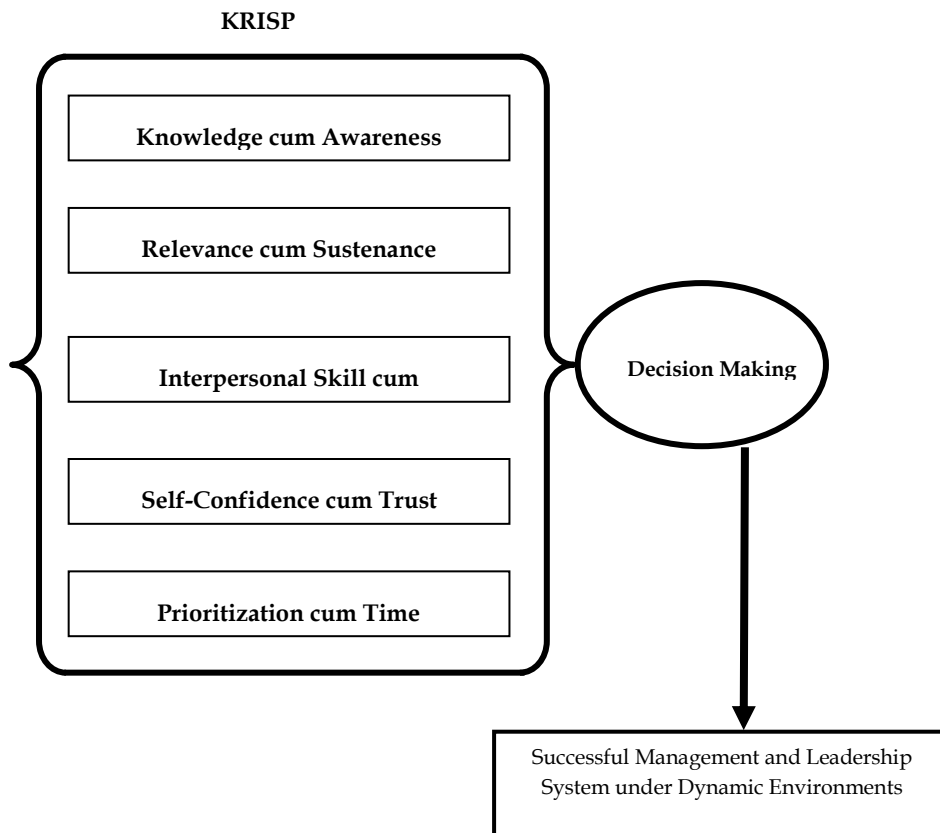


Figure-1