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M.A. EDUCATION

SEMESTER - I

(REVISED SYLLABUS AS PER NEP 2020)

EDUCATIONAL MANAGEMENT AND LEADERSHIP

© UNIVERSITY OF MUMBAI

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I

M. A. EDUCATION

SEMESTER-I

CORE COURSE III: EDUCATIONAL MANAGEMENT AND LEADERSHIP

Theory: 70 Internal: 30 **Total Marks: 100**
Total Credits :4

Course Outcomes

The learner will be able to

CO 1 explain the concepts related to the Management of Education.

CO 2 analyses the concepts of Human Resource Management and apply them for effective Organizational Development.

CO 3 appraise the characteristics, traits, approaches, styles and skill sets of good leadership.

CO 4 evaluate the efficiency of financial management, planning and budgeting.

Module 1: Fundamentals of Educational Management and Human Resource Management		2 credits
Unit 1: Management of Education		
a	Management of Education: Concept, Scope, Need and Objectives and History of Modern Management	
b	Functions of Educational Management: Planning, Organising, Staffing, Directing, Controlling	
c	Henry Fayol's Principles of Management and its application	
d	Educational Manager: Mintzberg's managerial roles, Competencies and Skills, Managerial Ethics, Effectiveness and Efficiency of a Manager	
Unit 2: Human Resource Management in Organizations		
a	Human Resource Management: Meaning, Nature, Objectives, Scope	
b	Staff Development: Need and Objectives of Staff Development, Approaches (Fragmented, Formalized, Focused), Methods and Process of Staff Development	
c	Performance Management: Principles, Process and Concerns, Measuring Performance: Performance Appraisal with reference to its Purpose and Process, Tools and Techniques	
d	Ethical Issues in HRM in Education: Characteristics required for handling workplace grievances and conflicts ethically (promoting equity, fairness, and non-discrimination in educational institutions), Ethical considerations in staff recruitment, development, and termination	

II

Module 2 : Leadership And Financial Management In Education		2 credits
Unit 3: Leadership in Education		
a	Leadership in Education: Concept of Leadership, Characteristics, Leader and Manager, Traits of an Effective and Successful Leader	
b	Approaches to Leadership: (Concept and Need): Trait, Transformational, Transactional, Psycho-dynamic, Charismatic and Social	
c	Theory and Practice: Blake and Mouton's Managerial Grid, Fiedler's Contingency Model, Hersey and Blanchard's Model, Goleman's Leadership Styles: The Pacesetting leader, The Authoritative leader, The Affiliative leader, The Coaching leader, The Coercive leader and Democratic leader	
d	Ethical and Inclusive Leadership in Education: Characteristics of a leader for promoting Ethics (promoting fairness, equity, and accountability, ensuring diversity, equity, and inclusion in leadership practices), Building and sustaining relationships with stakeholders (teachers, students, parents, and community)	
Unit 4: Financial Management in Education		
a	Financial Management: Meaning and Aspects	
b	Financial Planning: Objectives and Need for Financial Planning	
c	Concept of Budget and Budgeting, Revenue generation Strategies in Education, Steps of Budget Preparation, Opportunities for Change in Budgeting Practices, Equitable Student-Based Budgeting, Staffing-Based budgeting	
d	Concept of Cost of Education. Types of Educational Costs: Direct cost, Indirect cost, Private cost, Social cost and Opportunity cost. Cost Effectiveness Analysis and Cost Benefit Analysis	

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1A

MANAGEMENT OF EDUCATION

Unit Structure :

1A.0 Learning Outcomes

1A.1 Introduction

1A.2 Concept of Management

1A.3 Objectives of Management

1A.4 Concept of Management of Education

1A.5 Scope of Management of Education

1A.6 Need of Management of Education

1A.7 Objectives of Management of Education

1A.8 History of Modern Management

1A.9 Functions of Educational Management

1A 10 Let us Sum Up

1A.11 Unit End Exercise

1A.0 LEARNING OBJECTIVES

After going through this unit, learner will be able to:

- Explain the concept of management
- State the objectives of management
- Explain the concept of management of education
- Describe scope and need of management of education
- State the objectives of management of education

1A.1 INTRODUCTION

Humans have unlimited wants but the resources are very limited in supply. Complete satisfaction is very important for the smooth functioning of the society. Thus, these resources have to be managed by humans in such a way that it will fulfill all their wants, desires and needs. Management helps in this. It helps in managing all resources available in such a way that it gives complete satisfaction to human beings.

1A.2 CONCEPT OF MANAGEMENT

The term 'management' has been used in different ways. Sometimes it refers to the process of planning, organizing, staffing, directing, coordinating and controlling, at other times it is used to describe it as a function of managing people. It is also referred to as a body of knowledge, a practice and discipline. There are some who describe management as a technique of leadership and decision-making while some others have analyzed management as an economic resource, a factor of production or a system of authority. To understand the term of management, let us have a look at the definitions:

"The art of management has been defined, 'as knowing exactly what you want men to do, and then seeing that they do it in the best and cheapest way.'" (Taylor, 1911)

Management is the art of getting things done through and with people in formally organized groups, the art of creating an environment in such an organized group where people can perform as individuals and yet cooperate toward attainment of group goals, the art of removing blocks to such performance, the art of optimizing efficiency in effectively reaching goals." (Koontz 1961)

According to Follett "Management is the art of getting things done through others." Follett describes management as an art of directing the activities of other persons for reaching enterprise goals. It also suggests that a manager carries only a directing function.

Management can be defined as the process of planning, organizing, directing, and controlling organizational resources (human, financial, physical, and informational) in the pursuit of organizational goals." (Dunham & Pierce 1989)

According to J.D. Mooney and A.C. Railey "Management is the art of directing and inspiring people." Management not only directs but motivates people in the organization for getting their best for obtaining objectives.

According to Henry Fayol "To manage is to forecast and plan, to organize, to command, to co-ordinate, and to control." Fayol described management as a process of five functions such as planning, organizing, commanding, coordinating and controlling.

MANAGEMENT = MANAGE + MEN + T (TACTFULLY)

The word management has three different connotations. It is used as a noun, as a process and as an academic discipline.

Management as a noun:

The word management itself is a noun. There are various kinds of employees in an organization, where some are involved in managerial function and some are involved in operating functions. The individuals

who manage the organization and departments are called as managers. In the field, as a noun the term management is used as single name of managers, board of directors, managing directors, departmental managers etc. Thus, management involves conceiving, initiating and bringing together the various elements; coordinating, integrating the diverse components in the organization while Theo Haimann Concept of Management Process Noun Discipline sustaining the feasibility of the organization towards some pre-determined goals. Therefore, it is an art of getting things done through & with the people in formally organized groups.

Management as a process:

Management as a process includes planning, controlling, coordinating, motivating, and staffing. All these are interrelated sequential functions. Thus, management is the efforts of the members of the organization to accomplish the organizer's objectives.

Management as an academic discipline:

As a discipline, management is a specific branch of knowledge which is studied in campuses and schools like economics, sociology, mathematics, political science etc. Experts and researchers feel that the information gained through this discipline helps in practical life for better functioning thereby increasing the scope of management as a discipline.

1A.3 OBJECTIVES OF MANAGEMENT

Proper Utilization of Resources:

The main objective of management is to use the available resources of the enterprise in a most economical way. The proper use of human and material resources will help a business to earn profits to satisfy various interests. In any business, the proprietors will want more returns on their investments while employees, customers and public will expect a fair deal from the management. All these interests will be satisfied only when the resources of the business are judiciously utilized.

Improving Performance:

Management should aim at improving the performance of each and every factor of production. The environment should be so congenial that workers are able to give their best.

Mobilizing Best Talent:

The management should employ persons in various fields so that better results are possible. The better pay scales, proper facilities, future growth plans will attract more people in joining the organization.

Planning for Future:

The management should not feel satisfied with today's work if it has not planned for its future. The future performance should depend upon the present planning. Thus, planning for future is essential to help the organization grow. The terms "administration" and "management", are frequently used synonymously. It is also observed that the term "management" is generally identified with private sector organization but, the term, "administration" on the other hand, is used with reference to public organizations. Essentially, there is no difference between management & administration. Every manager is concerned with both - administrative management function and operative management function as shown in the figure. However, the managers who are higher up in the hierarchy denote more time on administrative function & the lower level denote more time on directing and controlling worker's performance i.e. management.

1A.4 CONCEPT OF MANAGEMENT OF EDUCATION

The field of management of education is of recent origin. An educational institution has a very special environment. It differs from the other organizations such as office, corporations and business etc. The field of management of education is of recent origin especially in India. Management of an educational institution requires sensitive skills concerning students and young generations wide range of academic activities concerning teachers as well as the administrative and managerial activities concerning principals, supervisors and head of the institutions.

Management of education is the process of planning, organizing, directly and controlling the activities of an institution by utilizing human and material resources so as to effectively and efficiently accomplish functions of teaching, extension work and research.

In management of education, when we consider management as a noun there are leaders who are appointed as principals or heads of the department who are responsible for handling different activities of the institution for smooth functioning of the institution. When we consider management as a process there are various activities which are expected to plan and organize such as carrying out admission process, appointing teachers for the academic year, conduction of examination, organization of various curricular and co curricular activities through out the year, design and develop plan and strategies for achievement of goals and objectives of the institution etc. For effective and efficient functioning of the institution, managers need to have substantial knowledge of management and resources that is human, infrastructural and finance. Management of education not only focuses on teaching and learning but also extension work and researches. Teaching learning starts with planning and it goes till evaluation. Even research work requires all the management processes. Education institutions are expected to reach to community through extension work. The extension work leads to development of society. Societal feedback help the education system to bring about positive

changes. Education and society are interdependent. Education influences society and society influences education. As per the demands of the society changes should be brought about in the society. Then the products of education system i.e. students are absorbed in the economy which is part of society. Therefore, in management of education we give importance to extension work along with teaching learning and researches.

1A.5 SCOPE OF MANAGEMENT OF EDUCATION

The scope of education management is very wide. At macro level it encompasses implementations of policies at the national, state and local level to admitting students to different academic programs, appointment of teachers and non teaching staffs, implementation of curriculum laid by nation and state, monitoring of activities carried out at national, state, district and local levels to management of education at the institute level (micro level).

It encompasses concepts from different disciplines including role of bureaucracy from sociology, personality, stress and interpersonal relationships from psychology as well as various other concepts from education, management and other behavioral and social sciences.

Its scope includes history and theories of management science, roles, responsibilities, skills and functions of educational manager. It also deals with managerial and institutional effectiveness.

It enable us to study the meaning, nature, objectives, principles of education management, process of various functions of a manager such as planning, organizing, staffing, controlling, directing, coordinating, reporting, budgeting etc.

It includes a study of educational planning at the macro i.e national level, its goals, principles, approaches and procedures and at the micro level institutional planning and administration.

Moreover it also includes a study of how to make decisions and solve problems, how to supervise and inspect, communicate, manage information, conduct staff meetings, build effective teams, motivate the staff and students, manage conflict, stress and time, develop conducive institutional climate and culture, manage changes in the organization etc.

The knowledge of these aspects enables a principal/ head to enhance the quality of education thereby helping the institution to achieve its goals and objectives.

1A.6 NEED FOR MANAGEMENT OF EDUCATION

Indian society is extremely diverse in nature. It is witnessing changes in social, economic, political, technological and cultural fields and education is expected to be responsive to these changes.

Due to globalization, cultural, technological and societal changes that are taking place at various parts of the world. These changes are influencing education system too therefore there is need to change the education system.

In order to understand and address these changes we need to make change in our education system. The system of education is expected to provide society with human resources with specialized knowledge, attitude, work ethics and values, expertise and skills so as to sustain and enhance this development.

This places demand on education to make its curriculum more relevant to the life and needs of a changing society in an effective and efficient manner. The system of education therefore needs to be more dynamic so as to contribute towards accomplishment our national development goals. It is also expected to enable students to bring about desirable social change at the same time preserving the positive aspects of the existing culture.

We have students from different cultures in a school. There is cultural diversity in the classrooms. Each student carries the family culture to school. The family culture definitely has the effect on personality, values and belief of students. The socio economic background of the child has effect on his / her academic achievement. In such a situation there is a need to make changes in teaching learning process. Do we need to change the mental set up, beliefs and attitude of the teachers ? Do we have to think in wider perspective as a global citizen ? Are the objectives of school education meeting the gaps between local and global ? In order to answer these questions and reflect on ourselves, education management proves to be helpful. It helps in identifying the needs of teachers, students and society.

The purpose of educational management at institutional level is to create a congenial environment for the attainment of aims and objectives of educational system in particular and those of the country in general. Scientific and systematic management of educational institution is expected to bring about qualitative changes in the educational system.

The system of education needs to be more dynamic to provide the society with human resources that has specialized expertise and skills, values, attitudes, professional ethics so as to sustain and enhance the national development.

We need to make our education system more proactive rather than reactive by using and applying principles and techniques of management science. We need a forward looking planning for our education system at the institution level. We need to know how to use our scarce resources in optimum and most effective and efficient manner and this is possible with proper management of education.

In today's complex scenario of education, therefore knowledge of education management is an absolute necessity.

1A.7 OBJECTIVES OF MANAGEMENT OF EDUCATION

Achievement of institutional goals and objectives:

Educational management brings all the components of an educational programme into harmonious and fruitful relationship for the purpose of successfully achieving the underlined objectives. It helps to satisfy the individual goals of employees with the overall goals of the institution.

Planning, organizing and implementing institutional activities:

Education management involves planning organizing, implementing and controlling institutional activities which further helps in achievement of institutional goals and objectives. It enhances efficiency and reduce the wastage of resources and brings order in the working of an institution.

Create, maintain and enhance good public image of an institution:

The mushrooming of educational institutions makes it imperative to create and maintain good image of the institute in the public. People today are more conscious of the brands and expect quality work for the money spent. The same philosophy is applied in the educational institutions. Bad public image may lead to less admissions which further creates threat for the sustainability of the institute.

Maximum utilization of human and material resources:

Resources are always scarce so it becomes imperative to use it wisely so as to get maximum utilization of those resources. There are institutions who always face the dearth of teaching and non-teaching staff. In such situations, managing the available human resources becomes very crucial. The planning for spending the money, proper budgeting, and getting the optimum out of the finances available is one of the major aspects of the educational institutions. The quality of the equipment's purchased and its maintenance has to be managed regularly so that it will produce maximum output.

Enhancing the efficiency of the institution:

Due to rapid advancement and change survival in today's competitive world necessitates to maintain and enhance the efficiency of the institution. Proper monitoring and supervision is necessary which will be possible by delegating the work to individuals or groups to perform with resources necessary for its execution. Controlling and monitoring is necessary for checking whether the performance is in accordance with plans or not. Establishment of performance standards based on the objectives, measures, and reports is necessary to compare actual performance with the goals and objectives and if it not meets the goals and objectives then taking corrective or preventive action as necessary. This enhances efficiency of the institution.

Create and maintain a congenial climate:

Organizational climate is the result of combination of elements that affects the way team members perceive their workplace. Organizational climate can be affected by motivation, delegation, authority, feedback and attitudes of the people working in the organization. Creation of conducive climate is necessary for organizational growth and development. Congenial climate makes people feel motivated and boosts their morale this in return enhances their productivity which ultimately benefits the institution.

Improve interpersonal communication among members of the organization:

Generally it is observed when people work as a team in the initial phase there happens to be some conflicts among the members with respect to their opinions and working style. Such conflicts if not resolved at the right time may lead to loss of productivity. It is important to mange interpersonal conflict, stress and time effectively. It is possible by improving interpersonal communication among the members.

Understand the roles and responsibilities:

Delegation of tasks and duties is one of the an important aspect of the educational management. Ensure that the right person is in the right place. Proper roles and responsibilities will lead to less stress and chaos among the staff.

Job Satisfaction:

By the end of the day one of the most important aspect for any employee is job satisfaction. If the employee is not satisfied with the work environment then it will affect performance of the institute which ultimately create obstacle in achieving goals and objectives of the institution. It is necessary to recognize the efforts of the people and accordingly encourage and reward them for their performance.

1A.8 History of Modern Management

The transition of human civilization from unstructured to structured organizational systems is reflected in the development of contemporary management. The history of management includes a number of theories and movements that have influenced how organizations are set up and run today, and many have their roots in the demands of expanding businesses and industrialization.

1. Pre-Industrial Management

Before industrialization, most management was done informally and according to custom. There was little specialization and tasks were supervised by monarchs, religious leaders, or landlords. Organizations were small-scale, and leadership relied more on tradition and personal authority than on methodical methods.

2. Industrial Revolution and the Birth of Formal Management

The Industrial Revolution brought about a dramatic change in the late 18th and early 19th centuries. Organized management became necessary as a result of large-scale industrialization, urbanization, and the division of labor. The idea of managing a sizable workforce through coordination, monitoring, and control was first presented by factory systems.

3. Classical Theories of Management-

Classical management ideas emerged in the early 20th century as a response to the complexity of industry.

A) Scientific Management (Frederick W. Taylor): Frederick W. Taylor's book Scientific Management placed a strong emphasis on productivity through a scientific examination of labor. He established concepts such as scientific labor selection, time and motion studies, and standardization.

B) Administrative Theory (Henri Fayol): The foundation for contemporary administrative systems was established by Henri Fayol's Administrative Theory, which included 14 principles and five essential management functions: organizing, planning, commanding, coordinating, and managing.

C) Bureaucratic Management (Max Weber): Max Weber's theory of bureaucratic management promoted rational-legal authority by arguing for a defined organizational structure with a hierarchy, clear norms, and progression based on merit.

4. Human Relations Movement-

The Human Relations Movement, which concentrated on the social and psychological facets of work, began to take shape in the 1930s. The Hawthorne Studies by Elton Mayo showed that when workers felt appreciated and included in a supportive community, their productivity increased. This change brought attention to how crucial interpersonal interactions, motivation, and morale are in the workplace.

5. Behavioral Science Approach-

The behavioral science approach built on human relations by incorporating ideas from sociology and psychology. Scholars such as Chris Argyris, Abraham Maslow (Hierarchy of Needs), and Douglas McGregor (Theory X and Theory Y) examined employee behavior, motivation, and leadership while highlighting the human element of businesses.

6. Quantitative and Systems Approaches-

Quantitative methods like operations research and decision science became more popular after World War II. These methods optimized planning and decision-making through the use of statistical tools and

mathematical models. Concurrently, the systems theory emphasized the significance of feedback loops and interconnectedness by seeing organizations as open systems that engage with external contexts.

7. Contingency Theory-

Contingency theory, which first appeared in the 1960s, maintained that situational factors are necessary for efficient management. By arguing that strategies should be customized to the organization's size, technology, environment, and objectives, it contested the notion of a universal strategy.

8. Contemporary Approaches-

Since the 1980s, management has changed in tandem with technology development, globalization, and the growing complexity of corporate contexts.

A) **Total Quality Management (TQM):** The goals of total quality management (TQM) include staff involvement, customer happiness, and ongoing improvement. TQM concepts were greatly influenced by the ideas of thinkers such as Joseph Juran and W. Edwards Deming.

B) **Lean and Agile Management:** Particularly in the software and manufacturing sectors, lean and agile management techniques prioritize speed, flexibility, responsiveness, and waste reduction.

C) **Knowledge and Innovation Management:** Knowledge and Innovation Management: Knowledge is seen as a vital resource by contemporary enterprises. Innovation, creativity, and learning organizations are emphasized.

D) **Digital and Global Management:**

As a result of the development of digital technologies, modern management entails managing remote teams, using artificial intelligence, maintaining cyber security, and negotiating international markets. A focus on diversity, sustainability, and moral leadership are other emerging trends.

The history of modern management shows an ongoing process of invention and adaptation. Management philosophy has changed in reaction to shifting organizational needs and cultural norms, from inflexible bureaucracy to agile and digital businesses. We can better appreciate existing practices and predict future trends in organizational growth and leadership when we comprehend this evolution.

1A.9 FUNCTIONS OF EDUCATIONAL MANAGEMENT

In order to efficiently and successfully accomplish desired goals, educational management is the act of organizing, planning, directing, and controlling educational institutions. It guarantees that every educational activity is methodically planned in order to support learning, foster

institutional development, and address the ever-changing demands of both society and pupils.

The fundamental tasks of educational management are similar to those of general management, but they are carried out within educational establishments. Among these are the following:

1. Planning:-

The cornerstone of educational management is planning. It include establishing goals, choosing tactics, and detailing the actions necessary to accomplish educational objectives.

Crucial Elements:

A) Determining the long-term objectives, mission, and vision of the organization.

B) Estimating future administrative and academic requirements.

C) Creating syllabi, co-curricular schedules, and academic calendars.

D) Planning for human capital, technology, finance, and infrastructure.

In education, efficient planning fosters foresight, reduces waste, and equips institutions to handle upcoming difficulties.

2. Organising:-

The next stage after creating plans is to arrange the activities and resources that are available. This role entails developing an organized framework that facilitates the effective execution of instructional activities.

Crucial Elements:

A) Establishing the duties and responsibilities of departments and employees.

B) Creating administrative structures, committees, and avenues for decision-making.

C) Judiciously allocating money and material resources.

D) Coordinating for integrated functioning between academic and non-academic entities.

Organizing guarantees resource efficiency, workflow efficiency, and operational clarity.

3. Staffing:-

The recruitment, selection, training, and retention of competent staff members at educational institutions is referred to as staffing.

Crucial Elements:

A) Determining the needs for human resources in light of institutional objectives.

B) Hiring competent instructors, support workers, and administrative staff.

C) Offering training programs, orientation, and professional development.

D) Establishing guidelines for employee welfare, incentive, and appraisal.

Because the caliber of human resources has a direct impact on student learning outcomes and institutional success, staffing is crucial in educational management.

4. Directing:-

The process of leading, encouraging, and guiding employees and students to accomplish learning goals is known as directing.

Crucial Elements:

A) Supplying administrative and academic teams with direction and leadership.

B) Effectively conveying the objectives and policies of the institution.

C) Promoting cooperation, creativity, and moral behavior

D) Settling disputes and creating a supportive organizational culture.

By inspiring and meaningfully involving all stakeholders, effective directing guarantees that the intended goals are realized.

5. Controlling:-

In order to make sure that educational activities are going according to plan, controlling entails keeping an eye on things, assessing them, and taking appropriate action.

Crucial Elements:

A) Establishing benchmarks and performance criteria.

B) Frequent evaluation of administrative tasks and teaching-learning procedures.

C) Examining resource use, discipline, attendance, and academic achievement.

D) Putting remedial measures into effect in response to evaluation and feedback.

This role promotes responsibility, upholds quality standards, and encourages ongoing educational progress.

The planning, organizing, staffing, directing, and controlling aspects of educational management are cyclical and interconnected. When combined, they create a dynamic process that guarantees educational institutions operate efficiently. In addition to promoting academic success, a well-run educational system helps to build a nation by producing responsible, knowledgeable, and competent individuals.

1A.10 LET US SUM UP

The word management has three different connotations. It is used as noun, as a process and as an academic discipline. Management as a noun means thinking of an individual who is holding some position hence the person is considered as a manager. When we consider management as a process we think about different functions of management i.e. planning, organising, staffing, delegating and controlling. These functions of management are important part of organisation. Each process has certain steps to be followed. Each process has some merits as well as limitations. All these processes are interlinked.

When we think management as discipline it is considered as substantive body of knowledge. When it is considered as a separate discipline, we are focusing on different theories, concepts, processes and procedures of management.

Management of an educational institution requires sensitive skills concerning students and young generations wide range of academic activities concerning teachers as well as the administrative and managerial activities concerning principals, supervisors and head of the institutions.

Indian society is diverse in nature. It is witnessing changes in social, economic, political, technological and cultural fields and education is expected to be responsive to these changes.

Due to globalization, cultural, technological and societal changes are taking place at various parts of the world. These changes are influencing our education system too therefore there is need to understand and address these changes. We need to make change in our education system as per the

change happening in our society so that we can meet diverse needs of our stakeholders and improve our education system.

1A.11 UNIT END EXERCISE

Q.1 Find the correct answer.

1. A successful criteria for effective school management is ……
   A. Planned target
   B. Improved performance
   C. Stress on future performance
   D. Reward

2. Management of education is necessary because there is ……
   A. Change in the society
   B. New advancement in technology
   C. Increase in demand for education
   D. Change in system of education

3. Which one of the following is NOT the objective of education management ?
   A. Achievement of goals of an organization
   B. Create and maintain congenial environment
   C. Advancement in science and technology
   D. Change in system of education

Q.2 Answer the following.

1. What is Management?
2. What is Management of Education?
3. Enlist objectives of Management and Management of Education.
4. Explain scope of management of Education.
5. Discuss history modern management.
6. Discuss Functions of Educational Management.

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1B

ROLE AND FUNCTIONS OF AN EDUCATIONAL MANAGER

Unit Structure :

1B.0 Learning Outcomes

1B.1 Introduction

1B.2 Mintzberg's Managerial Roles

1B.3 Functions of an Educational Manager

1B.4 Skills of an Educational Manager

1B.5 Competencies of an Educational Manager

1B.6 Managerial Ethics

1B.7 Efficiency of a Manager

1B.8 Effectiveness of a Manager

1B.9 Henry Fayol's Principles of Management and its application in Education

1B.10 Let Us Sum Up

1B.11 Unit End Exercise

1B.0 LEARNING OUTCOMES

After going through this unit, learner will be able to:

- Explain Mintzberg's Managerial Roles.
- Discuss Functions of a Manager.
- Discuss Skills of a Manager.
- State Competencies Required for a Manager.
- Explain Managerial Ethics.
- Describe the concept of efficiency of a manager.
- Explain the concept of effectiveness of a manager.
- Decribe Henry Fayol's Principles of Management with its application in education

1B.1 INTRODUCTION

Manager has to perform various roles in an organization. Knowledge, attitude and job conduct of principals of school and managers of

educational institutes is not rooted from their specialized and professional knowledge needed to take this position but it needs training. Thoughtful and efficient principals in school help in improving job satisfaction of teachers, establishment of link with parents of students, strengthening PTA association, optimum utilization of resources and improving the quality of education. Principal needs to understand what different roles he has to play as educational manager, what are the expectations from each role and how effectively these roles can be played.

Different management theories explain roles of a manager in different ways. According to Fayol, a manager is a coordinator of various resources through the function of planning, organizing, commanding, and controlling. Behaviourist theorists look at managers as a team builder. Management scientists view managers as a decision maker. Contingency school considers a manager as a mediator between organization and environment.

The position of the Education manager in an education institution is like that of a captain in a ship. He or she provides educational leadership to teachers, administrative officials of education institutions in the development and coordination of educational programs and also oversees educational research aimed at providing new directions for the educational system.

1B.2 MINTZBERG'S MANAGERIAL ROLES

Professor Henry Mintzberg an internationally renowned academic and author on business and management. According to him, being a leader in any organization is a complicated and challenging task that can take on a variety of forms depending on the needs of the organization and the people that are being led. Any given manager may be asked to complete a variety of tasks during a given day depending on what comes up and what problems need to be solved.

This is the general idea behind Mintzberg's Management Roles. These ten management roles were published as part of Mintzberg's book in 1990, and they cover the spectrum of tasks and responsibilities that a manager must take on at one point or another.

Mintzberg described these ten roles of a manager under three major categories.

I. Interpersonal Role

II. Informational Role

III. Decisional Role

I. Interpersonal role:

Interpersonal roles are the role played by a person to interact with others properly. While playing the interpersonal role manager greets visitors such as parents, board teams, educational officers etc. These roles involve the

behaviours associated with human interactions. In other words, interpersonal roles are those roles that allow a manager to interact with his/ her employees for the purpose of achieving organizational goals. Interpersonal roles cover the relationships that a manager has to have with others. The managerial roles in this category involve providing information and ideas.

Interpersonal roles are grouped into three roles involving working with other people. These are

a. Figurehead

b. Leader

c. Liaison

a. Figurehead:

Here, the manager is a symbolic head; He is obliged to perform a number of routine duties of legal or social nature, like signing reports, attending assembly, participation in ceremonies etc. A figurehead provides inspiration by sharing the mission and vision of the organization and symbolizing authority. Manager while performing this role is expected to be a source of information, people look at the manager as a person with authority and as a figurehead.

b. Leader:

The principal's role as Leader requires to direct and manage the performance of his teachers. In a leader role manager directs goals and evaluates employee performance. As a leader, a manager has to bring together the needs of an organization and those of the individuals under their command. He is responsible for the motivation and activation of subordinates; responsible for staffing, training, and associated duties. Mentoring, training, and motivating employees are all leadership activities. Duties are at the heart of manager subordinate relationships and include structuring and motivating subordinates, overseeing their progress, promoting and encouraging their development and balancing effectiveness. Manager in this role can sense the problem in advance and provide a solution to the problem with the best strategy.

c. Liaison:

Principal's role as a liaison requires the principal to take the responsibility of developing connections and contacts with the stakeholders. He maintains contacts with his customers to better understand their needs and how he can accommodate them. He holds parents meetings and attends those meetings in order to understand parents' expectations from the school. As a Liaison, the manager needs to communicate the functioning of the school with internal and external members of the school. This networking activity is a critical step in reaching school's goals, especially those concerned with students and parents as customers. The liaison maintains a network of contacts outside the work unit to obtain

information. He develops networks and engages in information exchange to gain access to knowledge bases. As liaison, a manager has to maintain a network of relationships with other organizations. He has to maintain a self-developed network of outside contacts and informers who provide information. Acknowledgements of mail, external board work, other activities involving correspondence with outsiders are the activities expected from a manager in this role. Managers need to be able to network effectively on behalf of the organization.

II. Informational Role:

The informational role includes those roles which managers must generate and share knowledge to successfully achieve organizational goals. Manager has to collect, disseminate and transmit information. Manager has three corresponding different communication based informational roles under this category

a. Monitor

b. Disseminator

c. Spokesperson

a. Monitor:

The monitor seeks internal and external information about issues that can affect the organization. A manager is an important figure in monitoring what goes on in the organization. He seeks and receives a wide variety of special information to develop thorough understanding of the organization and environment such as handling all mails and contacts which are primarily informational, such as periodical news and observational tours, taking feedback from parents about institutions, taking information about government schemes, government resolutions. Duties include assessing internal operations, schools success and the problems and opportunities which may arise. All the information gained in this capacity must be stored and maintained.

b. Disseminator:

Disseminator transmits information internally that is obtained from either internal or external sources. Highlights factual or value based external views into organization and to subordinates. This requires both filtering and delegation skills. Manager transmits information received from outsiders or form subordinates to members of the organization; some information involving interpretation and integration such as forwarding mail into the organization for informational purpose, verbal contacts involving information flow to subordinates including review sessions and spontaneous communication. Manager needs to provide information to subordinates which may be technical. So, in that case, understanding technical language and translating it into simple words for the staff is the job of the manager. Translating and interpreting government resolutions in simple language, informing staff about seminars, workshops, training

programmes organized at various institutes. Writing minutes of the meeting and sending these minutes to respective persons.

c. Spokesperson:

The Spokesperson transmits information about the organization to outsiders. Serves in a PR capacity by informing stakeholders updated about the operation of the organization. A manager often has to give information concerning the organization to outsiders, taking on the role of spokesperson to both the general public and those in position of influence. Manager has to transmit information to outsiders on the organization's plans, policies, actions and results; He has to conduct board meetings, handle mail, and contacts involving transmission of information to outsiders. Taking help from the media in order to do publicity for his institute, distribution of brochures, pamphlets about institutions progress and development.

III. Decisional Role:

Decisional role include roles involving the process of using information to make decisions. The most crucial part of management activity is to make decisions. Manager has to take various decisions in the day to day functioning of the organization. The four action based roles for making and implementing decisions are

a. Entrepreneur

b. Disturbance handler

c. Resource Allocator

d. Negotiator

a. Entrepreneur:

The entrepreneur acts as an initiator, designer and encourages change and innovation. As entrepreneurs, managers make decisions about changing what is happening in an organization. They may have to initiate change and take an active part in deciding exactly what is to be done. Manager searches the organization and its environment for opportunities and initiates change in the organization. He supervises design of certain projects as well for organizational development. He identifies strategy and reviews policies, government resolutions, curricular activities, various courses and decides its feasibility.

b. Disturbance handler:

The Disturbance Handler takes corrective action when an organization faces important, unexpected difficulties. Manager makes decisions that arise from events beyond their control and unpredicted. He reacts to events as well as to plan various activities. He is responsible for corrective action when the organization faces important, unexpected disturbances. He has to take decisions regarding disciplinary actions to be taken. He has to

identify strategy and review involving disturbances and crises, give memos and report to the authorities.

c. Resource Allocator:

The resource allocator distributes resources of all types, including time, funding, equipment, and human resources. The resource allocation role of a manager is central to many managerial activities. A manager has to make decisions about allocation of money, people, equipment, time and so on. He is responsible for the allocation of organization resources of all kinds in effect the making or approving of all significant organizational decisions. Manager in this role does the scheduling, requests for authorization, any activity involving budgeting and the programming of subordinates' work.

d. Negotiator:

Negotiator represents the organization in major negotiations affecting the manager's areas of responsibility. A manager has to negotiate with others and in the process be able to make decisions about the commitment of organizational resources. He is responsible for representing the organization at major negotiations. He has to represent the institute for negotiations with parents, teachers, students, unions etc. He has to conduct meetings for negotiation.

If we analyze these roles given by Mintzberg, we can say that authority and status derive the interpersonal roles, interpersonal makes it necessary for managers to make it informational roles. An Informational role makes managers make decisions. These ten roles of manager come with a great deal of responsibilities. Informing, connecting and ordering require a manager to be able to adapt to the situation and control it in a balanced way.

1B.3 FUNCTIONS OF AN EDUCATIONAL MANAGER

Effective management and leadership involve creative problem solving, motivating employees and making sure the organization accomplishes objectives and goals. There are five functions of management as follows.

1. Planning
2. Organizing
3. Staffing
4. Directing
5. Controlling.

1. Planning:

Planning is a part of each person's life; be it a student, homemaker, doctor, engineer. Each of us plans as soon as we get up. We make daily plans,

weekly plans, sometimes monthly and yearly plans. We also have planning for our life which is long term. If an individual decides to live the life as it comes to him/her then it will lead to chaos in his/her life. It means planning is a day-to-today activity which helps an individual to use his/her time effectively. This is equally true for effective functioning of organizations. Hence one of the important functions of management is planning. When we are considering planning as a process it means we are deciding our goals and we are also taking decisions about how we are going to achieve these goals.

The planning function of management controls all the planning that allows the organization to run smoothly. Planning involves defining a goal and determining the organization to the most effective course of action needed to reach that goal. Typically, planning involves flexibility, as the planner must coordinate with all levels of management and leadership in the organization. Planning also involves knowledge of the organization's resources and the future objectives of the organization.

Planning is a very goal oriented activity. It is a process in which a manager decides his/her goal for the institution as well as for himself. Hence it can be said that planning is a process of deciding the objectives and ways to achieve the set objectives. In a simple way it can be defined as the act to set a goal and to decide the means for achieving these goals. It means the manager does not only decide the goals but also decide what are the different ways and out of these which way they are going to select to achieve the goal.

2. Organizing:

The organizing function of the manager controls the overall structure of the organization. The organizational structure is the foundation of an organization; without this structure, the day-to-day operation of the institution becomes difficult and unsuccessful. Organizing involves designating tasks and responsibilities for employees with the specific skill sets needed to complete the tasks. Organizing also involves developing the organizational structure and chain of command within the organization. Organization is a function of management that involves developing an organizational structure and allocating human resources to ensure the accomplishment of objectives. Organisation is the function of management which follows planning. In this process the human, financial and physical resources are synchronized and combined in such a way that the organization achieves its goal optimally. Organizing involves creation of structures, establishment of relationships, allocation of resources so as to accomplish a determined goal. According to Koontz and O'Donnell, organization involves the establishment of authority, relationships with provision for coordination between them, both vertically and horizontally in the enterprise.

3. Staffing:

It is important to place the right person at the right position to perform the right work. Hence staffing is an important function of management in

which people are selected for different positions. The staffing function of management controls all recruitment and personnel needs of the organization. The main purpose of staffing is to hire the right people for the right jobs to achieve the objectives of the organization. Staffing involves more than just recruitment; staffing also encompasses training and development, performance appraisals, promotions and transfers. Without the staffing function, the business would fail because the business would not be properly staffed to meet its goals. Staffing is a continuous function. A new enterprise employs people to fill up staff positions in the organization. In an established concern, the deaths/ retirements of employees and the frequent changes in the objectives and the organization itself make staffing a continuous function of management.

Staffing is defined as a process which involves the filling up of various positions by appropriate individuals. While selecting people care is taken that those individuals should possess the knowledge and skills required for the job. If a person does not possess the requirements then he or she cannot be selected for that job. The staffing process can be seen as a continuous process. It follows step by step procedure so that the institution/organization is supplied with the right people in the right positions at the right time. Staffing includes selection, training and appraisal of the individuals in the organization. Staffing is the process in which the organization appoints people in different positions and these people who are selected are placed to perform a specific job.

4. Directing:

Planning, organizing, and staffing are not sufficient to set the tasks in motion. Management has well-coordinated plans, properly established duty- authority relations, and able personnel, yet it is through the function of direction that the manager is able to make the employees accomplish their tasks by making them integrate their individual efforts with the interest and objectives of the enterprise. It calls for properly motivating, communicating with, and leading the subordinates.

Motivation induces and inspires the employees to perform better, while through good leadership, a manager is able to make his subordinates work with zeal and confidence. It contents following three essential activities:

1. Issuing orders and instruction
2. Guiding and counseling the subordinates in their work with a view to improve their performance
3. Supervising the work of subordinates to ensure that it conforms to orders and instructions issued.

5. Controlling:

The controlling function of management is useful for ensuring all other functions of the organizations are in place and are operating successfully. Controlling involves establishing performance standards and monitoring

the output of employees to ensure each employee's performance meets those standards. The controlling process often leads to the identification of situations and problems that need to be addressed by creating new performance standards. The level of performance affects the success of all aspects of the organization. While directing, the manager explains to his subordinates the work expected of each of them and also helps them perform their respective jobs to the best of their abilities so that the enterprise objectives can be achieved. But even then, there is no guarantee that work will always proceed according to plan. It is this possibility of actions deviating from plans that calls for constant monitoring of actual performance so that appropriate steps may be taken to make them conform to plans. Thus, the controlling task of management involves compelling the events to conform to plans.

Controlling is a process of analyzing whether actions are being taken as planned and taking corrective actions, whether these actions are needed or not. This process tries to find out deviation between planned performance and actual performance. As we mentioned in the planning process that the goal is set and the strategies are designed to achieve the goal. The control tries to find out the difference in what is planned and the extent to which the goal is accomplished. If it is observed that the work is not progressing in proper speed then the strategy is changed. In other words, performing the task in different ways or analyzing the entire process of task performance and find out the discrepancies and take measures to reduce the gap between expected and actual performance.

1B.4 SKILLS OF AN EDUCATIONAL MANAGER

Education management is a field of study. It comprises personnel associated with this field viz: principals, teachers and others. These personnel together are responsible for imparting quality education. Performance of each personnel depends on the skills possessed by them. Here, the term skill suggests an ability which may not be inborn but can be nurtured and is observed through the performance of an individual. Therefore, based on effectiveness of action one can judge the extent of skill possessed by an individual. Each personnel of the education system is managing the system at different levels.

Managerial skills are the knowledge and ability of the individuals in a managerial position to fulfill some specific managerial activities or tasks. This knowledge and ability can be learned and practiced. However, they also can be acquired through practical implementation of required activities and tasks. Therefore, each skill can be developed through learning and practical experience of the individuals. Managerial skills are required to manage people and technology to ensure an effective and efficient realization of tasks.

Robert Katz identified three types of skills that are essential for a successful management process:

1. Technical,
2. Conceptual skills
3. Human or interpersonal skills.

1. Technical skills:

These skills give the manager's knowledge and ability to use different techniques to achieve what they want to achieve. Technical skills are not related only for machines, production tools or other equipment, but also these are the skills that are required to increase sales, design different types of products and services, market the products and services etc. Technical skills are most important for the first-level managers. As we go through a hierarchy from the bottom to higher levels, the technical skills lose their importance.

These are the skills which indicate proficiency in doing specific activities effectively. It involves using specific methods, processes, procedures and techniques. Teachers, engineers, doctors, architects etc. need to have specific profession related technical skills. These technical skills include profession specific knowledge, analytical ability required in that profession and skill of using tools and techniques related to profession. Profession wise the skill set required varies. This skill is required for lower level managers as they are the ones who are working in the field. If we consider a teacher as an educational manager, he/she should possess the skill of lesson planning. For doing so she/he has to set the objectives of the lesson. The objectives are based on goals of school. It may be achieving 100% results or preparing good human beings. As per the objectives, the methodology will differ. E.g. If the objective is completion of the syllabus then the lecture method will be adopted but if the objective is developing scientific attitude then teacher may use debate or discussion method. While planning lessons, he/she has to think about availability of infrastructural resources. If they are not available then he/she should have a plan to generate the same. He/she also has to think about an evaluation strategy which will depend on the objectives and the teaching-learning strategy adopted by the teacher.

2. Conceptual skills:

Conceptual skills present knowledge or ability of a manager for more abstract thinking. That means he can easily see the whole through analysis and diagnosis of different states. In such a way they can predict the future of the education institution as a whole. Conceptual skills are vital for top managers, less important for mid-level managers, and not required for first-level managers. As we go from the bottom of the managerial hierarchy to the top, the importance of these skills will rise. A manager should develop sharp conceptual skills. This helps to view the organization from a wider perspective. A manager with strong conceptual skills can analyze and study a complex situation deeply and develop strategies for the smooth functioning of the organization. It also influences the decision-making process in an organization.

It involves the ability to see the institution as a whole. It involves understanding the relationship between various elements of the organization, having awareness about the functions of the organization and an ability to visualize how change in one part will have the effect on the organization as a whole. This skill helps in making decisions. The correctness of the decision depends on the conceptual skill of the person. This skill is required for creating vision and developmental plans of the organization. It also involves the ability to work on hypothetical situations. Conceptual skills are most required for top level managers as they are responsible for framing and implementing the policies for welfare of organizations and less for middle level managers. It is our general observation that during the tenure of a specific leader an organization does impressive work. The reason is that the top level manager or leader possess conceptual skill. Conceptual skills helps in framing vision of the institution. This helps in creating social image of the institution. As per the vision of the manger, his/her planning and resource allocation will differ. E.g: Educational manager who believes in developing human being will plan the school activities in which he will give importance for community work, group learning and activities for developing the social skills. Whereas, if the manger has the aim of having 100% result of school then he or she will plan the activities such as conducting practice test, guidance for how to write answers etc. This clearly depicts that conceptual skills of manager plays crucial role in working of an organization. Hence, it is very necessary to select the leader carefully. This is true for all types of organizations.

3. Human Skills:

These are the skills which are required to work effectively in the group and build the team. This skill involves working with human beings and helping managers to understand people and motivate them. The person having human skills will have high emotional quotient as he/she will be able to understand his/her own emotions as well as of others. The person possessing human skills will always try to achieve win-win situation as he/she values the emotions of other persons. The person good in human skills are skilful in communicating with others. They can create an open and secured environment in which subordinates can freely express themselves. Such managers use a participatory approach where subordinates are involved in planning activities related to them and are sensitive to the needs of others.

Human or interpersonal managerial skills present a manager’s knowledge and ability to work with people. One of the most important management tasks is to work with people. Without people, there will not be a need for the existence of management and managers. These skills will enable managers to become leaders and motivate employees for better accomplishments. Also, they will help them to make more effective use of human potential in the company. Simply, they are the most important skills for managers. Interpersonal management skills are important for all hierarchical levels in the organization A manager should be a people's person. He should have the ability to deal and work with people of

different temperaments, backgrounds and educational qualifications. He should be well-aware what motivates his team members in order to bring out the best in them. A manager should be good at building relationships with his subordinates and be fair in his dealings with them, so that there are no ill feelings among the team members. A manager should possess good team-building capabilities as well.

All the skills are required for all levels of manager only the degree varies from level to level.

1B.5 COMPETENCIES OF AN EDUCATIONAL MANAGER

Managers in an educational institution need to have proficiency in core management competencies in order to successfully execute the requirements of their position. Management competencies can be learned and developed, and it is important to define key management competencies and measure the proficiency of each manager, offering frequent assessments and feedback. Management competencies are categorized as human capital which is broadly defined as the knowledge and skills that contribute to workplace productivity. The human assets needed for managerial competency are necessary for a productive workforce. Below, are listed some core management competencies.

1. Interpersonal communication:

This skill involves the ability to identify, understand, and anticipate the emotions, concerns and thoughts of others. It requires the ability to empathize and communicate effectively. Interpersonal awareness allows to read other people's feelings based on their nonverbal behavior, tone of voice and choice of words.

2. Motivating others:

Good managers are effective at rallying people together to achieve common goals. Using interpersonal skills, they can understand what motivates people and use that to encourage productivity.

3. Written communication:

Written communication is the ability to effectively communicate with the written word. It can involve the use of proper grammar, spelling and punctuation. Additionally, excellent written communicators write in a way that is understandable and clear to many people.

4. Honesty / integrity:

Good managers display behavior that is ethical, honest, and humane. They serve as a role model for others and perform actions that demonstrate their values.

5. Problem Solving:

All managers have to solve problems eventually. Good problem solvers take proactive approaches to address issues and avert conflict whenever it emerges. They empower employees to seek information that improves their ability to develop and assess a variety of potential solutions. When problems arise, good problem solvers are quick to prevent escalation of conflict between employees.

6. Developing others:

Being able to see the potential in others is an important quality of a great manager. Natural born managers / leaders wish to help people grow and develop their skills. Every employee has different experiences, beliefs, goals and values. Great leaders treat every person with unique care.

7. Vision/ Mission/ Goal/ Objectives planning:

Having a vision is the ability to outline a clear and vivid plan to accomplish shared objectives. Effective managers form a long-term view and share their vision / mission /goals with others. They encourage others to take actions that get the team closer to accomplishing their goals. By doing this, they catalyze organizational change.

8. Creativity / innovation:

Creatives are open to new ideas and innovation. They are willing to question the status quo approaches and implement new processes when necessary. Creative people can see problems from new perspectives and generate helpful insights into problems.

9. Conflict resolution:

At some point, conflict is bound to arise between employees. It is a manager's duty to find resolutions that satisfy everyone involved in a conflict. Unresolved conflicts can harm relations and impact the organizational culture, so it is important for leaders to develop this capacity.

10. Delegation:

Effective managers / leaders understand that they can't do all the work alone. They know that they need other people to accomplish goals. By capitalizing on the expertise of others, they are rapidly able to accomplish goals because they know who is the best fit for each task. They distribute tasks effectively by recognizing the strengths of others.

11. Valuing Diversity:

Every person on a team has unique values, experience, cultural backgrounds and goals. Good leaders create an inclusive workplace where everyone feels welcome. They acknowledge each person's unique contributions and insights leveraging them to further shared objectives.

1B.6 MANAGERIAL ETHICS

The principles by which a manager leads his organization will dictate everything from employee ethics to organization morale and productivity. Managerial ethics can also significantly affect the standing of an organization in society.

Ethics is the set of moral principles or beliefs that affect the behavior of employees. While most people automatically assume that ethics directly correlates to personality, this isn't always the case. Doing the right thing for employees and customers and demonstrating the willingness to go the extra mile also falls under managerial ethics. Ethics is the foundation of deciding what is wrong or what is right in a given position. It is an individual's personal beliefs and perceptions while taking decisions. A moral standard or code of conduct determined by society defines how ethical an individual is.

Moral standards of ethics don't necessarily need to align with an institution's legal standards. An organization might not be required to offer maternity / paternity leave, but the organization might believe that it is important to give mothers / fathers their own time with a newborn. Moral ethics could also be how the organization deals with customer complaints to ensure that people feel good about their experience with the organization from the top down.

Managerial ethics is the set of standard behaviors that guide the individual manager in their work to make managerial decisions. Making ethical choices can often be difficult for managers. It is compulsory to obey the law about ethics but acting ethically goes beyond mere compliance with the law. Ethics is derived from society and the norms, values, beliefs, culture, and standards of society determine it. A manager is a part of society and he has to make organizational ethics accepted by society. An ethical manager can promote goodwill and reputation in society, gain benefit in the long run, and promote uniform growth of the organization.

Managerial ethics is important for every organization, because people will follow what managers/ leaders do. Even if an organization has ethics policies in place, when top leaders ignore these standards, it resonates throughout the organization . It might mean that some employees might not act ethically, if they are following the actions of leaders. It could also reduce employee pride and morale. When employees don't think that their leaders care about doing the right thing, they might feel that their efforts to do right are not valued. Morale drops, employees may leave the organization, human resources costs go up, and customer loyalty and positive experiences suffer. Organizations that follow the highest standards of managerial ethics generally have the following advantages.

- High morale and very high levels of productivity
- Promotes Goodwill and Image
- Helps to Maintain Good Relations with Stakeholders

- Promotes Fair Competition
- Promotes Social Responsibility
- Improves Working Environment
- Low turnover (tendency of leaving job)

1B.7 EFFICIENCY OF A MANAGER

Efficiency in management means performing activities with the minimum wastage of resources with optimum utilization of resources so that the organisation can maximize the profit. An efficient manager is one who uses limited resources to get the job done in a more professional manner. Efficiency is performing the best results in the least about of time and/or effort. Efficiency is when manager does the same things faster or with less waste. For example, manager might find a better way to run a project status meeting so it takes 30 minutes on average rather than 1 hour. Efficiency avoids mistakes and takes repeated steps to achieve a goal. Both efficiency and effectiveness are desirable characteristics of a manager.

Although, one is often attainable only at the expense of the other. While some do a good job of balancing the two, others view one better than the other. Depending on the situation, both efficiency and effectiveness can be used, if managers and leaders work together.

Efficient managers are task-oriented, impulsive, and project focused.

1B.8 EFFECTIVENESS OF A MANAGER

Effective managers are always good delegators. They can distribute tasks to their team as well as ensuring that their own time is well used for management issues and important tasks. Employees that feel trusted are better placed to achieve their potential and are given an incentive to ensure that they perform well.

A manager is not only responsible for a team's output, but they are also responsible for supporting the individuals within their teams. This means understanding what drives and motivates them, what their strengths are, and how to guide them in areas they need to develop. Great leaders are good communicators and display a high level of emotional intelligence.

What makes an effective manager?:

It is often said that people don't leave organization, they leave managers, which is why it is so important to get this relationship right. If an individual doesn't feel supported, or can't have open and constructive conversations with their manager, it is likely that they will get frustrated in their role. This will have a flow-on effect in regards to their performance at work.

If sufficient management is lacking, it is easy for teams to lose motivation, enthusiasm, and productivity, which can lead to professionals seeking new

opportunities. The relationship between a manager and their reports has a direct impact on the morale and success of the team.

Tips for becoming a more effective manager:

Managers have the potential to make a significant impact both positive and adverse on their employees and the organization .The great managers are capable of inspiring and bringing out the best in their employees ,increase productivity and retention of the staff.

According to a study of more than 5,000 employees, those with a high level of confidence in their company's senior leadership are five times more likely to remain with their employer for more than two years compared to employees with no confidence. Another survey reports that 44 percent of workers have left a job because of a bad manager.So, what is the secret to being an effective manager? What sets them different from others ? Here are some qualities to consider, and ways that can support growth of a manager.

1. Set clear expectations:

To achieve goals, employees need to know what success looks like. Effective managers are transparent with the staff about their vision and priorities and hold regular meetings both formally and informally to assess progress and address issues .

2. Empower employees:

Psychologically safe environment allows employees to voice their concerns, ask questions and make decisions on their own, job satisfaction increases and performance improves. When employees are encouraged their true and best selves emerge. Their morale gets develop and that motivates them to do their work with more commitment.

3. Adapts to the needs of individual team members:

Everyone brings a different set of skills to their job. An effective manager not only understands their preferred working style but also adapt his approach for each person he lead or collaborate with.

When managers and team members know how others prefer to think and behave, they can adjust their interactions in a way that speaks to each individual.

4. Asks for insight and makes decisions:

Successful managers recognize that they haven't gotten where they are without the help and support of others. By bringing together a team to process or determine solutions, employees feel heard and leaders benefit from the ideas and opinions of others.

When managers engage multiple viewpoints, it's easier for them to steer clear of group think and embrace creative thought that leads to innovation.

5. Communicate clearly:

Soft skill and other skills like problem solving and teamwork abilities are important to a manager's success, as it helps to build strong

relationships. Although manager many a times may thinks that he is clearly articulating his thoughts, he may be misinterpreted by people in the organization . Manager should understand how to communicate based on staffs' preferred ways of thinking and behaving.

6. Listen:

Good communication requires a balance between talking and actively listening. Employees value managers who listen. Show employees that they are being heard by following up with their suggestions, questions or concerns in a timely manner even if the decision is to take no action.

7. Shows Trust in Employees:

Effective managers are always good delegators. They can distribute tasks to their team as well as ensures that their own time is well used for management issues and important tasks. Employees that feel trusted are better placed to achieve their potential and are given an incentive to ensure that they perform well. In a team, it's important to build mutual trust between managers and team members, as this will enable delegation to happen more effectively.

8. Protects the team:

As a leader, it falls on manager to take responsibility for the success and failures of his team. A good manager shares the successes and absorbs the failures. Taking responsibility when mistakes are made and team goals are not met is very important for the manager. Leading from the front. Showing the team that you are willing to step in for them when things get tough is all part of effective management.

The impact of a high performing manager should not be underestimated. Beyond their potential impact on employee retention it also affects organizations growth and development. Strengthening employees' skills can be a game changer for the success of organization.

1B.9 HENRY FAYOL's PRINCIPLES OF MANAGEMENT AND ITS APPLICATION IN EDUCATION

Modern management theory is said to have its roots in the French industrialist and management theorist Henry Fayol. Fayol delineated **14 Principles** of Management in his landmark work **"General and Industrial Management"** (1916), which function as recommendations for efficient organizational operations and effective managing behavior.

Despite being created initially for industrial organizations, Henry Fayol's 14 Principles of Management are extremely applicable and flexible in the realm of education. When carefully implemented, these guidelines improve the effectiveness, order, and harmony of educational establishments, guaranteeing students high-quality educational experiences and the seamless operation of colleges, universities, and schools.

1. Division of Work

Teachers, administrators, and support personnel all have different responsibilities in schools and institutions. Exam coordination, academic counseling specialty, and subject-wise instruction, for instance, all enhance performance and cut down on duplication.

2. Authority and Responsibility

In addition to having the power to make choices, administrators, department heads, and principals must also be held responsible for results like student performance, discipline, and academic achievement.

3. Discipline

A favorable learning environment is ensured when staff, instructors, and students follow the regulations of the institution. Order is maintained through disciplinary measures pertaining to behavior, attendance, and evaluations.

4. Unity of Command

One direct supervisor, such as the principal or head of the department, should receive reports from all staff members and teachers. By doing this, confusion brought on by contradictory directives from several authorities is avoided.

5. Unity of Direction

The institution's vision and goal should guide all administrative and academic endeavors. Programs pertaining to student development, for instance, must to have a common approach and focus.

6. Subordination of Individual Interest to General Interest

It is required of teachers and staff to put the institution's objectives—like academic success and student welfare—above their own prejudices or preferences.

7. Remuneration

Faculty and staff are more motivated and loyal when they receive fair and timely compensation, are rewarded for their hard work, and receive incentives for taking on additional responsibilities.

8. Centralization

Lesson preparation and student mentoring are two examples of responsibilities that can be dispersed to empower teachers, even while decision-making can be centralized at the management or principal level.

9. Scalar Chain

Efficient communication and responsibility are guaranteed by a well-defined structure, spanning from the instructor to the coordinator to the principal. This chain can be used to escalate urgent issues in order to keep the peace.

10.Place an order

Effective use of resources is ensured by well-maintained libraries and labs, well-organized classrooms, planned schedules, and transparent documentation systems.

11.Equity

Regardless of their origin, all employees and students should be treated fairly and with decency. An inclusive learning environment is fostered by equal opportunities in promotions, admissions, and responsibilities.

12.Stability of Tenure of Personnel

A stable institution and high-quality instruction are facilitated by low personnel turnover. Teachers with long tenure foster stability in student learning, institutional memory, and trust.

13. Initiative

Proposals for creative instructional strategies, extracurricular activities, or community initiatives should be welcomed from educators and staff. This fosters a culture of innovation and involvement.

14. Esprit de Corps

Collaboration and a strong school culture are fostered by encouraging a sense of teamwork among employees, instructors, and students. Group activities, student councils, and regular staff meetings all contribute to the development of unity and morale.

The methodical, moral, and student-centered operation of educational institutions is supported by the application of Henri Fayol's Principles of Management. When these ideas are applied to the educational setting, they increase learning results, teacher effectiveness, and governance. Fayol's tried-and-true principles remain a useful basis for educational leaders and administrators as educational institutions change.

1B.10 LET US SUM UP

Education management is a field of study. It comprises of personnel associated with this field viz: principals, teachers and others. These personnel together are responsible for imparting quality education. Performance of each personnel depends on the functions, skills, competencies and ethics possessed by them. Effective managers have to perform the functions of planning, organizing, staffing, controlling and directing for smooth functioning as well as for growth and development of an institute.

Robert Katz says that effective managers need to have three basic skills: a) Technical skills b) Human skills c) Conceptual Skills. Technical skills which indicate proficiency in doing specific activities effectively. It involves using specific methods, processes, procedures and techniques. This skill is required to a great extent for lower level managers. Human skills are the skills which are required to work effectively in the group and build the team. This skill involves working with human beings. These skills help managers to understand people and motivate them. This skill is

required for all levels of managers. Conceptual skill involves the ability to see the institution as a whole. It involves understanding the relationship between various elements of the organization, having awareness about the functions of the organization and an ability to visualize how change in one part will have the effect on the organization as a whole. This skill helps in making decisions. The correctness of the decision depends on the conceptual skills of the manager. This skill is required for creating vision and developmental plans of the organization. Conceptual skills are most required for top level managers as they are responsible for framing and implementing the policies for welfare of the organization.

Managers in an educational institution need to have proficiency in core management competencies in order to successfully execute the requirements of their position.

The principles by which a manager leads his organization will dictate everything from employee ethics to organization morale and productivity. Managerial ethics significantly affects the standing of an organization in society. It's very important for the manager to follow managerial ethics as he is a part of society and he has to make organizational ethics accepted by society. An ethical manager can promote goodwill and reputation in society, gain benefit in the long run, and promote uniform growth of the organization.

1B.11 UNIT END EXERCISE

Q.1 Select correct answer .

1. Which managerial function is used by an education manager to determine how they will distribute resources and organize employees according to a plan?

   a. Organizing

   b. Planning

   c. Controlling

   d. Staffing

2. Which of these is necessary to be placed before the organizing function can be carried out?

   a. a plan

   b. a strategy

   c. a schedule

   d. a chain of command

3. Performing activities with the minimum wastage of resources and optimum utilization of resources indicates which quality of a Manager?

   A. Performance

   B. Effectiveness

   C. Attitude

   D. Efficiency

4. 'Manager is transparent with the staff about their vision and Priorities'. This indicates which of the following quality of effective manager?

   A. Setting clear expectation

   B. Trust in employees

   C. Adaptation of employees needs

   D. Clear communication

Q.2 Answer the following.

1.What are the activities a manager needs to perform while performing following roles ?

Managerial Role	Activities	Example
Monitor		
Figurehead		
Spokesperson		
Leader		
Liaison		
Negotiator		
Disseminator		
Entrepreneur		

2. Explain Mintzberg's Managerial Roles.
3. Enlist Functions of an Educational Manager.
4. Enlist Skills of an Educational Manager.
5. Describe Competencies of an Educational Manager.
6. Discuss Managerial Ethic.
7. Explain Effectiveness & Efficiency of a Manager.
8. Why Fayol's Principles of Management is needed in education? - Justify.

2A

HUMAN RESOURCE MANAGEMENT (HRM) IN ORGANIZATION-I

Unit Structure :

2A.0 Objectives

2A.1 Introduction

2A.2 Human Resource Management (HRM)

- 2A.2.1 Meaning and Importance of HRM
- 2A.2.2 How does HRM work?
- 2A.2.3 Objectives of HRM
- 2A.2.4 Nature of HRM
- 2A.2.5 Scope of HRM
- 2A.2.6 Skills and Responsibilities of An HR Manager

2A.3 Staff Development (SD)

- 2A.3.1 Meaning of SD
- 2A.3.2 Goals of SD
- 2A.3.3 Need of SD
- 2A.3.4 Approaches of SD
- 2A.3.5 Methods of SD
- 2A.3.6 Plan Process of SD
- 2A.3.7 Steps of SD

2A.4 Let Us Sum Up

2A.5 Unit End Exercise

2A.6 References

2A.0 OBJECTIVES

After learning this unit, student will able to

1. Explain Concept of Human Resource Management
2. Explain Skills and Responsibilities of An HR Manager.
3. Explain Concept of Staff Management.
4. Explain Need of Staff Management.
5. Describe Approaches of Staff Development.

2A.1 INTRODUCTION

In the success of every business, five M's Man, Money, Material, Methods, and Machinery/minutes play a crucial role. Human resource is an essential element of an organization. It includes all the employee and the people whosoever is contributed to the organization through their services. Specifically, employees are considered as human resources of the business.

The department handles the personnel management activities of an organization is also known as Human Resource. This department also executes the process of hiring, **employee benefits**, and compensation. Human resources are the lifeblood of every organization. The progress of an organization largely depends on their ability and performance. An efficient and competent workforce ensures long term sustenance in the industry.

In the current business scenario, the Human Resource Department is one of the most required departments in any business organization. This department plays a crucial role in the placement of the right person in a suitable position in the organization. It supports the organization to align employee performance with its objectives. Also, it will enable managers to hire competent employees, upgrade their performance through **training and development**, the evolution of inclusive culture, and maintain relations.

2A.2 HUMAN RESOURCE MANAGEMENT

2A.2.1 Concept of Human Resource:

Human Resource Definition:

Different Authors had distinct viewpoints towards human resource. Henceforth, they define Human Resource based on their skills, research, and experience. Find below human resource definition given by some of the prominent authors & experts:

Leon C. Megginson defined "HR as the total knowledge, skills, creative abilities, talents, and aptitudes of an organization's workforce, as well as the value, attitudes, and beliefs of the individuals involved."

Jucius Michael calls human resources, as 'human factors', which refer to "a whole consisting of inter-related inter-dependent and inter-acting, physiological, psychological, sociological and ethical components."

Gray Dessler "The policies and practices one needs to carry out the people or human resource aspects of a management position, including recruiting, screening, training, rewarding, and appraising"

David A Decenzo and Stephen p. Robbins "Human is made of four activities:

a) Staffing,

b) Training and development,

c) Motivation and

d) Maintenance.

Cambridge dictionary states "Human resource definition "people, when considered as an asset that is or can be employed and that is useful to a company, organization, etc."

Human Resource Concept:

Earlier Personnel administration was regarded as the HR department of an organization because most of the employee-related activities viz. hiring, training, employee welfare, etc. performed by them in organizations. It entailed employee record keeping, implementation of organizational regulations according to employment laws. Also, personnel administrators determine wages, compensation, and other employee benefits. Managers used to perform tasks of administrators to maintain a smooth flow of work in the organization.

According to traditional HR, employees were merely a source of production in the organization. In the present scenario, an efficient HR professional must know about Engagement, Strategic Human Resource Management, Job demands-resources model, HR analytics, Applicant tracking system, Employee turnover, HR report, Employee experience, and 360-degree survey. These concepts are quite different from the conventional concepts of HR. Along with it, these concepts on the mutual development of organization and employee during the achievement of a goal. In other words, employees are considered and regarded as Human Assets for the growth and advancement of the organization

2A.2.2 Meaning and Importance of HRM:

Human resource management (HRM) is the practice of recruiting, hiring, deploying and managing an organization's employees. HRM is often referred to simply as human resources (HR). A company or organization's HR department is usually responsible for creating, putting into effect and overseeing policies governing workers and the relationship of the organization with its employees. The term human resources was first used in the early 1900s, and then more widely in the 1960s, to describe the people who work for the organization, in aggregate.

HRM is employee management with an emphasis on those employees as assets of the business. In this context, employees are sometimes referred to as human capital. As with other business assets, the goal is to make effective use of employees, reducing risk and maximizing return on investment (ROI).

The modern HR technology term human capital management (HCM) has been used more frequently compared to the term HRM. The term HCM has had widespread adoption by large and midsize companies and other organizations of software to manage many HR functions.

According to **Armstrong** (1997), Human Resource Management can be defined as "a strategic approach to acquiring, developing, managing, motivating and gaining the commitment of the organisation's key resource – the people who work in and for it."

According to **John Bratton** and **Jeffrey Gold** (2007), "Human Resource Management is a strategic approach to managing employment relations which emphasizes that leveraging people's capabilities is critical to achieving competitive advantage, this being achieved through a distinctive set of integrated employment policies, programmes and practises."

The Importance of Human Resource Management:

The role of HRM practices are to manage the people within a workplace to achieve the organization's mission and reinforce the culture. When done effectively, HR managers can help recruit new professionals who have skills necessary to further the company's goals as well as aid with the training and development of current employees to meet objectives.

A company is only as good as its employees, making HRM a crucial part of maintaining or improving the health of the business. Additionally, HR managers can monitor the state of the job market to help the organization stay competitive. This could include making sure compensation and benefits are fair, events are planned to keep employees from burning out and job roles are adapted based on the market.

2A.2.3 How does HRM work?:

Human resources management works through dedicated HR professionals, who are responsible for the day-to-day execution of HR-related functions. Typically, human resources will comprise an entire department within each organization.

HR departments across different organizations can vary in size, structure and nature of their individual positions. For smaller organizations, it is not uncommon to have a handful of HR generalists, who each perform a broad array of HR functions. Larger organizations may have more specialized roles, with individual employees dedicated to functions such as recruiting, immigration and visa handling, talent management, benefits, compensation and more. Though these HR positions are differentiated and specialized, job functions may still overlap with each other.

Amazon is an example of a large company with multiple types of specialized HR positions. Amazon's career website lists 15 different HR job titles:

- HR assistant
- HR business partner
- HR manager
- Recruiter
- Recruiting coordinator
- Sourcer
- Recruiting manager
- Immigration specialist
- LoA and accommodation specialist
- Compensation specialist/manager
- Benefits specialist/manager
- Talent management specialist/manager
- Learning and development specialist/manager
- HR technology/process project program manager
- HR analytics specialist/manager

2A.2.4 Objectives of HRM:

The objectives of HRM can be broken down into four broad categories:

1. **Societal objectives:** Measures put into place that responds to the ethical and social needs or challenges of the company and its employees. This includes legal issues such as equal opportunity and equal pay for equal work.

2. **Organizational objectives:** Actions taken that help to ensure the efficiency of the organization. This includes providing training, hiring the right number of employees for a given task or maintaining high employee retention rates.

3. **Functional objectives:** Guidelines used to keep HR functioning properly within the organization as a whole. This includes making

sure that all of HR's resources are being allocated to their full potential.

4. **Personal objectives:** Resources used to support the personal goals of each employee. This includes offering the opportunity for education or career development as well as maintaining employee satisfaction.

Within the unit of each organization, the objectives of HRM are to:

1. Help the organization achieve its goals by providing and maintaining productive employees.
2. Efficiently make use of the skills and abilities of each employee.
3. Make sure employees have or receive the proper training.
4. Build and maintain a positive employee experience with high satisfaction and quality of life, so that employees can contribute their best efforts to their work.
5. Effectively communicate relevant company policies, procedures, rules and regulations to employees.
6. Maintaining ethical, legal and socially responsible policies and behaviors in the workplace.
7. Effectively manage change to external factors that may affect employees within the organization.

2A.2.5 Nature of HRM:

1. HRM is based on certain principles and policies contribute to the achievement of organizational objectives.
2. HRM is a pervasive function – Human resource management is not specific to an individual department, rather it is a broader function and spread throughout the organization, it manages all type of people from lower level to top level departments of the organization.
3. **HRM is people oriented:** People or human resource is the core of all the activities of human resource management. Human resource management works with and for people. It brings people and organization together to achieve individual and organizational goals.
4. **HRM is continuous activity:** All factors of production are required to be continuously updated and improved to cope up with the changes and increased competition. Similarly, human resource also continuously trained, developed, or replaced to face the next level of competition. Hence, it is a continuous activity.
5. HRM is a part of management function.
6. HRM aims at securing maximum contribution.
7. HRM aims at optimum use of personnel power.

2A.2.6 Scope of HRM:

1. Personnel Aspect:

- **Human Resource Planning:** It is the process by which the organization identifies the number of jobs vacant.
- **Job Analysis and Job Design:** Job analysis is the systematic process for gathering, documenting, and analyzing data about the work required for a job. Job analysis is the procedure for identifying those duties or behaviour that define a job.
- **Recruitment and Selection:** Recruitment is the process of preparing advertisements on the basis of information collected from job analysis and publishing it in newspaper. Selection is the process of choosing the best candidate among the candidates applied for the job.
- **Orientation and Induction:** Making the selected candidate informed about the organization's background, culture, values, and work ethics.
- **Training and Development:** Training is provided to both new and existing employees to improve their performance.
- **Performance Appraisal:** Performance check is done of every employee by Human Resource Management. Promotions, transfers, incentives, and salary increments are decided on the basis of employee performance appraisal.
- **Compensation Planning and Remuneration:** It is the job of Human Resource Management to plan compensation and remunerate.
- **Motivation:** Human Resource Management tries to keep employees motivated so that employees put their maximum efforts in work.

2. Welfare Aspect:

Human Resource Management have to follow certain health and safety regulations for the benefit of employees. It deals with working conditions, and amenities like - canteens, creches, rest and lunch rooms, housing, transport, medical assistance, education, health and safety, recreation facilities, etc.

3. Industrial Relation Aspect:

HRM works to maintain co-ordinal relation with the union members to avoid strikes or lockouts to ensure smooth functioning of the organization. It also covers - joint consultation, collective bargaining, grievance and disciplinary procedures, and dispute settlement.

2A.2.7 Skills and Responsibilities of an HR Manager:

HRM can be broken down into subsections, typically by pre-employment and employment phases, with an HR manager assigned to each. Different areas of HRM oversight can include the following:

- Employee recruitment, onboarding and retention
- Talent management and workforce management
- Job role assignment and career development
- Compensation and benefits
- Labor law compliance
- Performance management
- Training and development
- Succession planning
- Employee engagement and recognition
- Team building

Skills that can add value to HR managers include:

- Employee relations
- Job candidate relations
- Sourcing and recruiting
- Interpersonal conflict management
- New employee onboarding
- HR software and information system experience
- Performance management
- Customer service
- Project management

2A.3 STAFF DEVELOPMENT (SD)

2A.3.1 Meaning of SD:

Staff development is a process of practices and procedures that helps develop the knowledge, competencies, and skills of the people in the organization. It also improves the effectiveness and efficiency of an individual and the university. The success of any university or an educational institution depends upon staff development. The role of staff is to have relevant knowledge, skills, and competencies, as the staff is recognized for the success of the institution.

Staff development needs a strategic and professional approach to attract more staff who possess relevant skills. It also aids in retaining the high-caliber staff who are required to deliver their respective objectives.

Staff development plays a crucial role in building the capability of the workforce. The main objective of staff development is to provide the faculty with a framework that helps encourage and support the institution's developmental objectives. It also has strategic aims and operational requirements that aim to take into account the staff's needs and career aspirations. The success of their departments depends on various strategies.

While maximizing the usage of available resources, departments work alongside the learning and development team. This is done to develop an approach that is coordinated with the staff development planning. The leaders or managers of the staff are provided with particular skills and knowledge through which they can work in partnership with their staff. This leads to efficiency in the work and results in the continuous growth of the staff.

Here, the members are encouraged to acquire skills for successful planning of the various roles in the university. It leads to a high order thinking and learning pathway for the staff. With all these different processes, an appropriate balance is created between the desire for individual staff members to maximize their potential.

Effective staff development requires continuous collaboration between supervisors and their staff. Supervisors are responsible for guiding and supporting the professional development of their staff by offering or identifying learning and professional development opportunities and providing coaching and feedback. To support supervisors in providing such opportunities for staff, Buffalo State offers programs and resources that can help staff enhance their work-related skills. Staff also share the responsibility for their own professional development and are encouraged to speak with their supervisor about taking advantage of available resources for professional development.

2A.3.2 Staff Development Goals:

To improve skills and knowledge in order to raise the level of job performance.

- To leverage strengths more fully in your job in support of your department's goals and the mission of the college.
- To learn new skills and knowledge that will prepare you for new responsibilities or increase your career advancement potential.

2A.3.3 Need of SD:

Five reasons why staff development in the workplace is important?

Staff training and development isn't just important to any company, it is vital.

1. Efficiency:

Professional development can help to ensure that you and your staff maintain and enhance the knowledge and skills needed to deliver a professional service to your colleagues, customer and the community. Enabling staff to advance in their career and move into new positions where you can lead, manage, influence, and mentor others.

2. Consistency:

A structured training and development programme can help to ensure all employees have a consistent level of experience and knowledge, and allows you the confidence of knowing your staff all have the same set of skills required. Allowing you flexibility with your workforce planning.

3. Compliant:

Training and development can help to ensure that your knowledge is relevant and up to date. Ensuring that you and your staff are compliant with the latest regulations.

4. Address weaknesses:

Even the best of employees have some weaknesses when it comes to their workplace skills.

An ongoing training and development program allows you to find and address any weaknesses, helping your employees to be more all-rounded and better skilled at every factor of their job.

5. Confidence:

Training and development can help to increase employees confidence within their role. Investment in training and development helps to show employees they are appreciated which can help them to feel a greater level of job satisfaction.

2A.3.4 Approaches of SD:

The many approaches to staff / Employee development fall into four broad categories: Formal Education, Assessment, Job experiences, and Interpersonal Relationships.

1. Formal Education:

Organizations may support employee development through a variety of formal educational programs, either at the workplace or off-site. These may include workshops designed specifically for the organization's

employees, short courses offered by consultants or universities, university programs offered to employees who live on campus during the program, and executive MBA programs (which enroll managers to meet on weekends or evenings to earn a master's degree in business administration). These programs may involve lectures by business experts, business games and simulations, experiential programs, and meetings with customers.

2. Assessment:

Another way to provide for employee development is assessment - collecting information and providing feedback to employees about their behavior, communication style, or skills. 10 Information for assessment may come from the employees, their peers, managers, and customers. The most frequent uses of assessment are to identify employees with managerial potential to measure current managers' strengths and weaknesses. Organizations also use assessment to identify managers with potential to move into higher-level executive positions.

Organizations that assign work to teams may use assessment to identify the strengths and weaknesses of individual team members and the effects of the team members' decision-making and communication styles on the team's productivity. For assessment to support development, the information must be shared with the employee being assessed. Along with that assessment information, the employee needs suggestions for correcting skill weaknesses and for using skills already learned. The suggestions might be to participate in training courses or develop skills through new job experiences. Based on the assessment information and available development opportunities, employees should develop action plans to guide their efforts at self-improvement.

Organizations vary in the methods and sources of information they use in developmental assessment (see the " Did You Know?" box). Many organizations appraise performance. Organizations with sophisticated development systems use psychological tests to measure employees' skills, personality types, and communication styles. They may collect self, peer, and manager ratings of employees' behavior and style of working with others. The tools used for these assessment methods include the Myers-Briggs Type Indicator, assessment centers, the Benchmarks assessment, performance appraisal, and 360-degree feedback. Edward Jones assesses the leadership potential of financial advisers working outside its St. Louis headquarters by combining personality assessment with peer appraisals. Employees and their managers receive the results, which are used to evaluate whether employees have the behaviors and personality required for a leadership role at headquarters.

3. Job Experiences:

Most employee development occurs through job experiences the combination of relationships, problems, demands, tasks, and other features of an employee's jobs. Using job experiences for employee development assumes that development is most likely to occur when the employee's

skills and experiences do not entirely match the skills required for the employee's current job. To succeed, employees must stretch their skills. In other words, they must learn new skills, apply their skills and knowledge in new ways, and master new experiences. For example, companies that want to prepare employees to expand overseas markets are assigning them to a variety of international jobs. To learn how a small company successfully uses job experiences to develop employees, see the "Best Practices" box. Most of what we know about development through job experiences comes from a series of studies conducted by the Center for Creative Leadership.

These studies asked executives to identify key career events that made a difference in their managerial styles and the lessons they learned from these experiences. The key events included job assignments (such as fixing a failed operation), interpersonal relationships (getting along with supervisors), and types of transitions (situations in which the manager at first lacked the necessary background). Through job experiences like these, managers learn how to handle common challenges, prove themselves, lead change, handle pressure, and influence others. The usefulness of job experiences for employee development varies depending on whether the employee views the experiences as positive or negative sources of stress. When employees view job experiences as positive stressors, the experiences challenge them and stimulate learning. When they view job experiences as negative stressors, employees may suffer from high levels of harmful stress. Of the job demands studied, managers were most likely to experience negative stress from creating change and overcoming obstacles (adverse business conditions, lack of management support, lack of personal support, or a difficult boss). Research suggests that all of the job demands except obstacles are related to learning.

Organizations should offer job experiences that are most likely to increase learning, and they should consider the consequences of situations that involve negative stress. Although the research on development through job experiences has focused on managers, line employees also can learn through job experiences. Organizations may, for example, use job experiences to develop skills needed for teamwork, including conflict resolution, data analysis, and customer service. These experiences may occur when forming a team and when employees switch roles within a team. Various job assignments can provide for employee development. The organization may enlarge the employee's current job or move the employee to different jobs. Lateral moves include job rotation, transfer, or temporary assignment to another organization. The organization may also use downward moves or promotions as a source of job experience.

4. Interpersonal Relationships:

Employees can also develop skills and increase their knowledge about the organization and its customers by interacting with a more experienced organization member. Two types of relationships used for employee development are mentoring and coaching.

Mentors:

A mentor is an experienced, productive senior employee who helps develop a less experienced employee, called the protégé. Most mentoring relationships develop informally as a result of interests or values shared by the mentor and protégé. According to research, the employees most likely to seek and attract a mentor have certain personality characteristics: emotional stability, ability to adapt their behavior to the situation, and high needs for power and achievement. Mentoring relationships also can develop as part of the organization's planned effort to bring together successful senior employees with less-experienced employees. One major advantage of formal mentoring programs is that they ensure access to mentors for all employees, regardless of gender or race. A mentoring program also can ensure that high-potential employees are matched with wise, experienced mentors in key areas—and that mentors in positions of authority are hearing about the reallife challenges of the organization's employees. However, in an artificially created relationship, mentors may have difficulty providing counseling and coaching. To overcome this limitation, mentors and protégés should spend time discussing their work styles, personalities, and backgrounds; these conversations help build the trust that is needed for both parties to be comfortable with their relationship.

Mentoring programs tend to be most successful when they are voluntary and participants understand the details of the program. Rewarding managers for employee development is also important, because it signals that mentoring and other development activities are worthwhile. In addition, the organization should carefully select mentors based on their interpersonal and technical skills, train them for the role, and evaluate whether the program has met its objectives. 40 Information technology can help organizations meet some of these guidelines. For example, videoconferencing may be a good substitute if the mentor and protégé cannot meet face-to-face. Databases can store information about potential mentors' characteristics, and the protégé can use a search engine to locate mentors who best match the qualities he or she is looking for.

The "eHRM" box describes how online databases are making successful mentorships more readily available at Xerox. Mentors and protégés can both benefit from a mentoring relationship. Protégés receive career support, including coaching, protection, sponsorship, challenging assignments, and visibility among the organization's managers. They also receive benefits of a positive relationship—a friend and role model who accepts them, has a positive opinion toward them, and gives them a chance to talk about their worries. Employees with mentors are also more likely to be promoted, earn higher salaries, and have more influence within their organization. Acting as a mentor gives managers a chance to develop their interpersonal skills and increase their feelings that they are contributing something important to the organization. Working with a technically trained protégé on matters such as new research in the field may also increase the mentor's technical knowledge. So that more employees can benefit from mentoring, some organizations use group

mentoring programs, which assign four to six protégés to a successful senior employee. A potential advantage of group mentoring is that protégés can learn from each other as well as from the mentor.

The leader helps protégés understand the organization, guides them in analyzing their experiences, and helps them clarify career directions. Each member of the group may complete specific assignments, or the group may work together on a problem or issue.

Coaching:

A coach is a peer or manager who works with an employee to motivate the employee, help him or her develop skills, and provide reinforcement and feedback. Coaches may play one or more of three roles:

1. Working one-on-one with an employee, as when giving feedback.
2. Helping employees learn for themselves - for example, helping them find experts and teaching them to obtain feedback from others.
3. Providing resources such as mentors, courses, or job experiences.

Linda Miller, a coaching specialist at the Ken Blanchard Companies, describes the coach's role in terms of two contrasting managers with whom she has worked. The first of these, a manager at a retailing company, had a supervisor who was not a coach. The retail manager's boss was nervous that if his employees learned too much, he wouldn't be as valuable. So he limited the retail manager's experiences until she became so frustrated she began to look for another job. In contrast, at a financial services business, a manager had a reputation for developing his employees.

According to Miller, this manager's strength was coaching: "He knew exactly how much time it would take for him to develop the person until the person would get recognized by the company and promoted into a new position," and he came to think of this development as his legacy to the company. In other words, the coach knows that his or her great value is the ability to make other employees more valuable. Research suggests that coaching helps managers improve by identifying areas for improvement and setting goals.

Coaching is most likely to succeed if coaches are empathetic, supportive, practical, and self-confident but don't act infallible or try to tell others what to do. To benefit from coaching, employees need to be open minded and interested in the process.

2A.3.5 Staff Development Methods in HRM:

Depending on the situation, there are several different approaches that these important employee development methods can take: employee training, effective coaching, and leadership mentoring. Training may be seen as the "purest" form of employee development, as it is usually used

to transfer core job knowledge, skills, and information to employees in a formalized way.

Employee Development Methods in HRM:- A trained, well-maintained and experienced employee base that capable of performing most of the tasks related to a particular field is the basic need of every organization. It's all thanks to competitions in the markets and job models in dynamic organizations that the need for employee development has increased tremendously, since the past few decades, and is supposed to go further even in the future.

Developing the employee base is a learning experience and puts forward a lot of improvements in the job performance of the employees. In most of the cases, these improvements are permanent and the newly acquired knowledge, skill, and behavioral changes can assist the company in achieving the higher success levels, even in longer runs. This change in the skill and knowledge can be brought by several employee development methods, with each method having its own set of advantages and disadvantages.

1. On the Job Training:

On the job training deals with the training of the employees which is delivered, directly, on the job and is known so, because the tasks of the job are done live, either by an instructor or the employee himself, under the instructor supervision. It is primarily used so that the trainees understand the nature of the job and the correct and effective method of covering it up.

For the purpose of using the "On the Job" as the training method, the employee is giving an overview of the job, the outcomes desired after its completion and the purpose of training in the completion of the task. The trainee is given a copy to mimic as the instructor demonstrates the job. The process is repeated until the employee feels satisfaction in his own work.

2. Job Rotation:

As the name suggests, job rotation deals with the continuous change of the employee positions within the organization to expand their knowledge and improving their skills as well as abilities. This rotation can either be vertical or horizontal, where horizontal rotation involves the temporary transfer from one position to another, laterally, whereas, in the vertical rotation, a worker is promoted to a new position. It is generally considered to be a sub-type of on the job training.

Job rotation, as an employee development methods, is quite a great way of exposing an individual to an even higher level of company operations, so that he prepares himself for what is to come in his career. This leads to tremendous improvements in the abilities, thus decreasing the difference in expected and actual skill levels.

It gives a huge boost to an employee's confidence, his capability of absorbing new information along with turning him into a genius, who can transform most of the ideas designed for special cases and makes them implementable even in the general situations. This simulation further leads to a rapid development of newer business ideas.

3. Coaching:

Coaching can be done by an instructor, hired especially for the training purposes, or even a more experienced employee or a number of employees. Most of the times, when coaching is done in the job timings and that, too, in the workplace, then it is considered to be a type of on the job training, and otherwise, it is generally supplemented to be an off the job training generally based on the classrooms. In coaching, a manager can also play his role by giving skills or useful advice or even both.

4. Training Courses:

These are more of a traditional form of the employee **Training and development Process** and focus on the analytical and concept grasping capabilities of the employees. This method of developing the employee base usually revolves around seminars and training courses followed by books or lectures. A lot of organizations organize these courses either in-house or through the help of outsiders.

The main advantage of using the training courses as the means of development lies in its cost-effectivity and the huge potential directed towards the tremendous improvements in feedback and participation during the lecture process.

5. Vestibules:

Using vestibules as the employee training means involves the usage of the same equipment as for the on the job training. The primary difference in both of these is that the training can be arranged anywhere and anytime. So, the employees can enjoy the training without any external interruptions and disturbances. So, the transference of the skill takes place quickly and easily.

6. Simulations:

Simulations as a way of employee development involve the usage of an artificial environment to mirror a real-life situation so that the participants could learn by actually performing the job but under controlled conditions. Along with a virtual training ground, it might include case analysis, role plays, experimental games, case by case studies as well as group interactions.

Unlike vestibules, the feedback and performance measures are instantaneous and the participants are made aware of their capabilities either during or at the end of a training session. Moreover, the costs involved in the creation of an artificial environment with the same opportunities is pretty low with fewer chances for poor results. The only

difficulty that lies on this pathway is that it is extremely difficult to create an exact duplicate of the realities and pressures of the actual situations which can lead to misleading results.

7. Programmed Learning and Self-study:

Self-study can be the most effective way towards the employee development, only if it is done through proper planning. For the purpose of training, computer programs can be used along with printed booklets to get a clear picture of different concepts, since it allows the learners to observe a particular fact through different angles

Furthermore, the feedback process is quite fast and most of the times; the reader gets feedback immediately, after he reads through the materials and answers the questions. Thanks to the interactivity in the learning programs, the learning process is now faster than ever and allows an even greater number of channels to participate, learn, improve and get feedback. This method is extremely useful in the case when the employees belong to different areas of the world.

2A.3.6 Staff Development Plan Process:

Employee development is an ongoing process which helps employees to enhance their skills and knowledge to contribute more effectively towards the organization. Remember you are not paid for simply coming to office and leaving on time. You really need to perform exceptionally well to stand apart from the rest. It is essential for employees to upgrade their knowledge with time to survive the changing environment and fierce competition at the workplace.

Employee development process begins from Day one when an individual joins an organization. You really do not have to wait for annual appraisals to implement the employee development plan. Induction and orienting new employees are also effective ways of employee development.

Understand why do you need employee development plan?:

Employee development plans prepare an employee for his current as well as future assignments and make him loyal and dedicated towards the organization.

An employee should feel comfortable even on his/her first day of work. Performance begins on the very first day an employee steps into an organization. Make sure induction programs are meaningful and not just a mere formality. Orientation programs must acquaint the employee with the policies and procedures, rules and regulations of the organization. Design key responsibility areas of an individual in lines with his educational qualification, background, past experience, specialization and areas of interest. Provide him manuals, brochures or employee handbooks which an individual can take back home for future reference. Team managers or reporting bosses ideally should spend some quality time with the new employee to orient him to the organization. Do not overload him with

unnecessary information. Trust me, he will never come back. Job expectations must be communicated to the employees the very first day itself. Be open for any feedbacks or queries. Ask the new member to have lunch with his fellow workers. Let him be familiar with his team members. After all he has to work with them.

Managers ought to give regular feedbacks to employees. Performance appraisals or promotions should not come as a surprise to employees. Be very transparent with your employees. Give them a clear picture of their current performance and growth chart in the organization.

There are two types of employee development Plans:

1. Professional Growth:

Such employee development plans are created to help individuals in their career growth. In such a plan, a team manager sits with his team members and designs growth plans with specific deadlines as to when the development goals can be accomplished. It is essential to give deadlines to employees for them to take trainings and employee development activities seriously. Employees are encouraged to attend training sessions, seminars, conferences to acquire new skills and knowledge.

2. Improvement:

Managers design a performance improvement plan also called as PIP and create an action plan to help employees improve their performance. Employees are trained not only for their professional development but also for their personal growth. Initiatives are taken to improve behavioral skills, communication skills, interpersonal skills which would help them in the long run.

Follow ups of employee development Plans:

The most crucial stage is the implementation stage when employee development plans are put in action. Follow ups are crucial. Discuss even the minutest problem which might prevent the successful implementation of employee development plan. Do not leave any query unattended. It would bother you later.

Monitor Progress:

Progress of employees need to be measured to find out how employee development plans are benefitting the employees. Find out whether employee development plans are actually helping employees in their career growth or not? Are you getting appreciated by the management for your extraordinary performance? Do not forget to celebrate your success.

2A.3.7 Steps Staff Development Process:

In many instances when someone mentions staff development, the first thing that comes to mind is technician training. But staff development is much more than that. A well-thought-out and properly executed staff

development plan not only impacts productivity but also promotes operational and maintenance standardization, seamless transitions of responsibility, and the effectiveness of the organization as a whole.

Staff development and succession planning are synonymous with each other. Remember, you are not only training your administrative staff and technicians to be more proficient, but also to one day take on higher-level management positions.

Staff development plans should not only address an employee's current job title and responsibilities, but also delineate a clear and concise path toward upward mobility. A well-defined development plan will positively impact employee morale by removing the ambiguity and confusion that pertains to their career advancement. If you were to randomly select a group of employees and ask them what they should know in order to be considered for promotion, would they be able to correctly answer the question? If your organization is like many others, the answer is — probably not.

As management, we get so caught up in the day-to-day operation of our fleets that we tend to forget there are employees who one day aspire to fill our shoes. When advocating the importance of a development plan to your employees, you should convey the benefits of the training and the correlation it has on their career paths. Keep in mind that several personal factors will guide the successful deployment of a development plan. Knowing what motivates a person to learn will help you sell the program to your employees and encourage active participation. These factors include: money, job security, promotion potential, pride, etc.

As with any viable and meaningful planning process, you must break down the program into logical and sequential steps. Following are five steps you should consider when developing your staff development plan.

Step 1: Determining the Need:

Management tends to concentrate on the here and now, placing aside future requirements. When assessing need, you not only need to look at current training deficiencies but also future gaps in staff development, such as the retirement of seasoned employees.

Unexpected or unplanned loss of long-term institutional knowledge is probably the most destructive event that negatively impacts organizational effectiveness. Unless properly addressed, the effects of reduced institutional experience are rapid, and it may take many months or even years for agencies to recover. The reason most fleet managers dread the day their supervisors retire is because they failed to properly prepare their replacements prior to their departure, even though the date is normally known well in advance. This effect is exacerbated when the selected replacement is an outside applicant who is completely unfamiliar with your fleet operation and equipment.

Determining whether or not an employee is proficient in his/her job may be difficult to assess and could be interrelated to other factors that are not under the direct control the of the employee. Possible factors that could impede an employee's performance may include: lack of a fleet management information system, lack of or poorly written standardized procedures, condition/age of the fleet, and poor management, to name just a few.

Start determining the need by conducting an initial assessment on the strengths and weaknesses of your staff. Be self-critical of your organization and list what things are going right or wrong and the foundational factors that contribute to success or failure. Knowing the cause and effect relationships will help you determine the root cause and better plan for a successful outcome.

To determine the appropriate level at which your staff is expected to perform, you need to develop a baseline from which to measure. An example of a baseline would be: You expect the parts department to maintain a loss ratio percentage of less than .05% of total stock on a monthly basis. The term loss is then defined as "any parts or supplies that cannot be accounted for through appropriate documentation." With the baseline established, you can then begin to examine the fundamental reasons why the parts staff is not capable of meeting the baseline.

Lastly, technical skill improvement should not completely define your staff development plan. Management and supervisory skills should also be considered and included. Remember, you are not only training your staff to make them more proficient in their jobs, but also to replace you one day.

Step 2: Developing the Plan:

Once you determine the need, you must then decide how you are going to fulfill it. In this step you will develop the who, what, when, and how aspects of your plan.

Start by listing all the requirements you identified as critical gaps in training. List them in a logical and sequential order and group them into occupational categories, e.g., mechanic, parts, administrative. Once your analysis is complete, decide which instructional method you would employ to best fit your needs. It could be instructor driven (classroom), self study, video, text, or computer/web-based programs. You can also consider on-the-job training and mentoring programs.

You are not only training your administrative staff and technicians to be more proficient, but also to one day take on higher level management positions.

Budget your equipment and supplies needs well in advance and consider funding for software and training aids. You should also consult with your Human Resources Department to incorporate development criteria in

employees' official job descriptions and possibly include the successful completion of a development plan as part of the promotional requirements.

Now that you have determined who will be trained and what you will teach, it's time to plan for the when. Start by determining the appropriate scheduling requirements and their impact on your day-to-day operation. Create formal training schedules and distribute them to the staff well in advance of the proposed training dates. Training schedules should be developed in such a manner that class content becomes progressively more advanced.

To help you make the most of your training class and to maximize its effectiveness, develop the following employee handouts:

1. Formal course outlines that go into detail about the course, its length and training dates, and learning objectives.

2. Reference material: Copy key policies and procedures that are pertinent to the class topic. You may also wish to provide each employee a complete copy of your latest Standard Operating Procedure (SOP). In the case of private manufacturers' documents, check their copyright and distribution restrictions prior to releasing the information.

3. Cheat sheets: abbreviated quick reference guides that highlight key points of interest.

4. Graphics and process flow diagrams: These are used to help explain complex tasks and provide a visual representation of each step within a task. Process flow diagrams are very helpful in detailing cross functional steps and use directional controls that guide the employee in making the right decision.

To track the progress of employee training, you may want to develop detailed task lists for each distinct job description that are based upon the critical tasks necessary for the job. The task list should contain specific task requirements, and the number of iterations that must be successfully demonstrated in order for the employee to be considered competent in his or her job.

For example, a task for a supervisor could be listed as "Evaluate completed work orders for correctness." A sample of the sub-elements for that task would be as follows:

- Determine that appropriate labor times are listed for the work performed.

- Determine that all parts billed to a specific repair task are applicable to the repair.

- Determine that all parts installed have a corresponding write-up and labor times.

Consider creating sample work order documents that are difficult to assess in order to fully test employees' ability to find the errors.

In addition to the training documents, continuity binders can also be a useful tool in staff development. The use of a continuity binder not only supports the seamless operation of the fleet in the absence of management personnel, but also diminishes the effects of the loss of institutional knowledge. Continuity binders should be standardized as to what content is contained in the binder. As a minimum, the binder should contain the following:

- Critical tasks and responsibilities that must be performed on an ongoing basis
- Key points of contacts and their relationship to the operation
- Copies of recurring reports along with details on the date required, data provided, distribution hierarchy, and how they are compiled
- References to specific regulatory documents and website addresses.

Lastly, a word of caution: Ensure that the content of the training does not conflict with, but reinforces, existing policies and procedures. Nothing is more damaging to the validity of a class than to provide inaccurate information to an employee, only to then correct the information at a later date.

Refer to your SOP to confirm there is no conflict in the training information provided. If your operation does not have a formal SOP, you should write one prior to implementing your staff development plan. Staff development classes should never be utilized to create or introduce policy, but to reinforce existing policy. The last thing you want in a formal class is to start a debate on policy issues. It will distract from the intent of the class and could eventually lead to a complete breakdown of classroom decorum and schedules.

Step 3: Implementing the Plan:

The most critical aspect of implementation is the successful transfer of information from the instructor to the trainee. A well-thought-out training plan can go completely awry if it is not properly implemented.

Your instructors should be senior employees or management personnel who are well versed in the topic that they are teaching. Have your instructors rehearse the training sessions in front of management staff well in advance of the scheduled class. An unorganized or poorly executed training session will do more harm than good. Disorganized classes will induce confusion and may lead the employees to develop a "Well, if management doesn't care, why should I?" attitude.

The instructor needs to know the audience. Not everyone learns at the same pace. Have the instructor take into consideration audience experience levels and start out with the basics and progress from there. Set

the speed of instruction so as to allow time for employees to absorb the material being taught, but not so slow as to bore quick learners. Include question-and-answer sessions during the training session to determine if the pace of the instruction is appropriate. If the majority of your questions are answered incorrectly, you may need to adjust the pace of the class.

Remember, different people learn in different ways (visually, hands-on, etc.) and at different speeds. Most people learn by doing, so try to incorporate as much hands-on activities as possible. Lastly, document training topics and attendance. You need to keep track of who was trained, what they were trained on, and when they received it.

Step 4: Evaluating and Modifying the Plan:

How do I know if the training was effective? Did everyone learn the objectives of the training? How am I going to measure the before-and-after performance metrics? These are the questions you should ask yourself when evaluating the success or failure of your program.

Pre- and post-instructional tests or verbal quizzes are helpful tools in determining the effectiveness of the training. Develop tests that key into the critical aspects of the training. Keep the tests short and to the point. Avoid creating lengthy tests that are formatted just to fill up space on the paper. Hands-on evaluations may also be more appropriate than written tests, as most people learn by doing. Have management staff review the tests to ensure there is no ambiguity in the questions. A pre-course exam can determine the before-and-after instruction level of employee knowledge.

If you want to know what the employees thought of the training, you may wish to seek feedback in the form of an anonymous comment card. Generally speaking, a person is more likely to express his or her true opinion when there is no fear of retaliation by associating his or her name with a negative comment.

The use of a continuity binder not only supports the seamless operation of the fleet in the absence of management personnel, but also diminishes the effects of the loss of institutional knowledge.

You should expect an immediate positive effect on performance after the completion of a proper and well-executed training event. There should be no reason to not expect a significant improvement in performance. Utilize your baseline metrics to measure the amount of increased performance. If you fail to notice rapid improvement in performance, you need to reevaluate your entire training program.

Step 5: Sustaining the Plan:

Repetition is the key to maintaining any skill set. Any successful staff development plan requires periodic refresher training in order to sustain the gains achieved. Remember that as time passes, people tend to forget what was taught to them. Keep in mind that the more complex a skill is, or

the greater the time span in which it was last performed, the faster the rate of learning decay will occur.

Develop a long-term refresher training program that reinforces your training needs. Consider revising the training cycles when you experience a large employee turnover event. Tailor your training priorities to critical and complex tasks and don't overdo it. Too frequent and/or too lengthy repetition eventually leads to a diminishing rate of return. At some point, your employees will lose interest in the training, and it may make them feel that management does not trust their intellect.

Lastly, remember that sustainment is the most critical aspect of any staff development plan, and without it, all previous steps are doomed for failure at some point in the future.

2A.4 LET US SUM UP

Nowadays, Human Resource Professionals perform as a strategic business partner of the organization. It involves the development of workforce strategies and their implementation to attain competitive goals in the industry. Also, all the HR techniques, like recruitment, training, compensation, and employee relations are used to strengthen the organization and to ensure sustenance in a highly competitive business environment.

A remarkable change can be seen in the functioning of the HR activities of the organization. Today's HR departments are proactive and invest in employee engagement and empowerment to derive the best results from their abilities. Ambitious and innovative HR strategies improve the organization's aptness to grow. In a nutshell, HRM is quite concise and forward-looking to make the best utilization of the human resources of an organization.

2A.5 UNIT END EXERCISE

1. What is Human Resource Development? Explain Nature and Scope.
2. Discuss on Job analysis concept and role in human Resource Development.
3. What is Job Analysis?
4. Explain importance of job analysis to HR managers.
5. Explain staff development w.r.to. need and objectives.
6. Describe approaches of Staff Development.
7. Discuss method and Process of Staff Development.

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2B

HUMAN RESOURCE MANAGEMENT (HRM) IN ORGANIZATION-II

Unit Structure :

2B.0 Learning Outcomes

2B.1 Introduction

2B.2 Performance Managementt

- 2B.2.1 Meaning & Principles
- 2B.2.2 Process
- 2B.2.3 Concerns
- 2B.2.4 Measuring Performance- Performance Appraisal with reference to its Purpose and Process
- 2B.2.5 Tools and Techniques of Performance Appraisal in Education

2B.3 Ethical Issues in HRM in Education

- 2B.3.1 Characteristics required for handling workplace grievances and conflicts ethically (promoting equity, fairness, and non-discrimination in educational institutions)
- 2B.3.2 Ethical considerations in Staff Recruitment, Development, and Termination

2B.4 Let us sum up

2B.5 Unit End Exercise

2B.6 References

2B.0 LEARNING OUTCOMES

After reading this unit, the student will be able to:

- Describe the foundational principles of performance management
- Explain the process of performance appraisals in evaluating employee contributions and development.
- Discuss characteristics of HRM for handling workplace grievances and conflicts ethically.
- Elaborate the ethical considerations involved in staff recruitment, development and termination

2B.1 INTRODUCTION

A formal performance management program helps managers and employees to know the expectations, goals, and career progress, including how an individual's work aligns with the organization's overall vision. Performance management views individuals in the context of the broader workplace system. Good performance management involves regular reviews. When goals are met, they should be celebrated and employees should be offered a reward. It motivates the employees and ultimately benefits the organization.

The success of performance management practices in any organization depend upon the commitment and involvement of the different stakeholders like top management, line managers, employees and the Human Resource managers.

2B.2 PERFORMANCE MANAGEMENT

Performance management is the process of continuous communication and feedback between supervisors and their subordinates in order to ensure that the planned objectives of the organization are being achieved. Performance management is a vital process for educators and school administrators for improving the quality of teaching and learning in school. The practice of performance management is encouraging and transformative. It is intended to make sure that all teachers can show how they meet professional requirements and how they impact students' learning and the larger school performance goals. Performance management is utilised as the basis for getting access to professional development and training apart from being used for pay progression. Empowering workers to reach their maximum potential, coordinating their endeavours with the organization's strategic goals, and fostering a positive and rewarding work environment for everybody are the goals of performance management.

2B.2.1 Meaning & Principles

Performance management is a complex concept that encompasses different dimensions of the organization and the people. The origins of performance management can possibly be traceable to the early 1900s, when the industrial revolution led to the growth of large organizations and the need for more effective ways to manage and motivate employees. Since the inception of the concept, the definition of performance management has evolved. Continuous performance management is replacing what was before an annual procedure. The objective is to make sure staff members are operating effectively during the entire year while simultaneously resolving any problems that may come up and have an impact on their performance.

In simple words, Performance Management can be defined as a continuous process of creating a work environment wherein employees can perform to the best of their abilities. Performance management

focuses on making the best use of human resources in order to accomplish goals in a highly effective and efficient manner. It is a process that allows management to monitor employee performance. In the field of education, it efforts to align individual and institutional goals to improve teaching quality and student outcomes. Let's examine the definitions offered by experts in the field to gain a better understanding of the term "performance management." Some of the definitions are as follows:

Weiss and Hartle (1997) defines Performance management is a process for establishing a shared understanding about what is to be achieved, and how it is to be achieved; an approach to managing people which increases the probability of achieving job-related success.

According to **Armstrong and Baron (1998),** "Performance management as a systematic process for improving organizational performance by developing the performance of individuals and teams. It is a means of getting better results from the organization, teams and individuals by understanding and managing performance within an agreed framework of planned goals, standards and competence requirements."

In a school setting, the term performance management typically refer to the procedure whereby school administrators and teachers are assigned objectives to meet during the performance management cycle and are reviewed with respect to these objectives at the completion of the cycle. Consequently, Performance management can be defined as the continuous procedure of planning, monitoring, assessing and enhancing the performance of staff members in order attain predetermined goals. This entails developing the performance of educators, administrators, and even pupils in order to ensure the improved quality of education.

Principles

Performance management in the education sector is an ongoing procedure involving consistent communication between leadership and employees to examine and assess responsibilities, goals, accomplishments, and growth goals. Several fundamental principles form the basis for successful performance management in schools. These include:

1. **Transparency:** Transparency is key for any organization eager to improve performance. All members must be informed of plans regarding work distribution, guidance, progress reviews and other measures of assessment. Using data-based measures to assess performance supports in assuring that the evaluations are fair and based on concrete evidence and it eliminates chances of partiality. An organisation fosters an environment of mutual understanding and development by utilising all abilities and communicating transparently.

2. **SMART Goal Setting:** Establishing specific, measurable, achievable, relevant, and time-bound (SMART) goal is essential. It is essential to ensure that objectives are in line with broader organizational goals. For instance, rather than a vague goal such as- improving student

performance; a more precise goal would be to increase the percentage of students from 60% to 70% by the end of the current academic year.

3. **Continuous Feedback:** Performance management is an ongoing process requiring continuous feedback to foster improvement. This involves not merely formal evaluations conducted periodically throughout the year but also informal check-ins on progress towards clearly defined benchmarks. Regular feedback is crucial, whether through impromptu discussions about recent successes and ongoing challenges or through brief weekly status reports. Continuous and constructive feedback helps build trust and cooperation among staff members.

4. **Supportive Work Environment:** Establishing an inviting atmosphere where employees feel comfortable openly sharing their expertise, insights, and aspirations will help fulfill objectives and achieve organizational goals. By cultivating a congenial climate, management empowers people to bring their diverse perspectives, fostering collaboration that enriches problem-solving and progress.

5. **Professional Development**: Investing in recurrent training for teachers is vital for advancing their skills and helping them in embracing new teaching methodologies and technologies. Professional development programs need to be aligned with areas where educators need to develop based on their performance evaluation.

6. **Inclusive Engagement:** Engaging all stakeholders—teachers, students, parents and administrators—in the performance management process nurtures a feeling of mutual liability for educational outcomes. Although the direction is set by the leadership, employee involvement fosters active participation in the process. Periodic check-ins and adjustments demonstrate respect for diverse perspectives, honing focus on continuous enhancement. This inclusivity enhances motivation and commitment to achieving school goals.

2B.2.2 Process of Performance Management

Peter Drucker's book, "The Practice of Management" published in 1954, popularized the concept of Management by Objectives (MBO), which forms the basis of the *Performance Management Cycle*. According to his book, management needs to divide organizational goals into more manageable, specific goals for each team member and individual.

Michael Armstrong's book "Handbook of Performance Management" has the most frequently cited performance management cycle. He explained the four stages of a performance appraisal cycle in it. They are plan, act, track, and review. It has been updated across time to accommodate the demands of the organization's present requirements. The process of performance management in educational settings typically follows several stages:

1. **Planning:** The planning phase is the foundation of the performance management cycle. At the beginning of the academic year or performance cycle, educators collaboratively set specific goals aligned with institutional objectives. This initial step involves defining SMART (specific, measurable, achievable, realistic and time-bound) performance objectives for educators and students. The goal and subsequent objectives need to be relevant to the teacher's role and level of experience. Detailed plans are developed to achieve the set goals. This may include lesson planning, curriculum development, or the adoption of new teaching strategies. Management has the chance to determine which training and development areas an employee needs to improve in the early stages of the performance management cycle.

2. **Monitoring:** The second stage is monitoring, where employees actively work towards their goals. It involves regular supervisions, providing resources and support. Some of the theories prefer to name this stage as "doing", because it is essentially the period in which employees are actively working on their goals. Throughout the year, progress towards the predefined goals is monitored through regular assessments and observation sessions that is done by breaking down yearly goal into monthly subgoals. Observations must occur both in order to determine any specific areas of strength and development that there might be for teachers, and in order to obtain some valuable information to assist with school improvement more broadly. For instance, classroom observations and student surveys can be used to provide insights into teaching effectiveness.

3. **Reviewing:** Management and staff have the opportunity to assess the process as well as the outcome during the review stage. The review should be should be objective, fair, and based on the criteria established during the planning stage. This step-in performance management cycle is process of communication. Once monitoring is done, discussions provide an opportunity for reflection on successes and areas needing improvement. Constructive feedback should be specific and actionable. Feedback should highlight areas of strength as well as areas that need improvement. The reviewing progress should be two-way, allowing teachers to provide feedback on their experience and support received or constrains they faced.

4. **Rating and Rewarding:** At this stage of the performance cycle, each employee's performance is rated based on the performance data. An evaluation is conducted to assess whether the established goals were met. This assessment may involve self-assessments by teachers, peer-feedback as well as reviews by supervisors or Principal. Recognising and rewarding good performance is crucial for maintaining motivation and engagement. Apart from rewards, tailored professional development programs are introduced to address identified gaps based on the evaluation. These might include workshops, mentoring or access to educational resources. Outstanding performance is acknowledged through awards, promotions, or other incentives,

fostering a culture of excellence within the institution. Underperformance may be corrected by suggesting some skill enhancement workshops or training.

It has to be bear in mind that in order to maximise employee satisfaction and enhance their performance, the process can reoccur as and when required. The performance management process is a cyclical one that includes ongoing planning, monitoring, reviewing, rating and rewarding.

2B.2.3 Concerns in Performance Management

The intricacies in the organizational culture combined with fast-paced transformation of education sector have made it difficult to effectively utilize the performance management system. Professionals also believe that performance is a complicated phenomenon and hence cannot be measured precisely. Following are the major concerns of any performance management system:

- **Subjectivity in Assessment:** One of the primary issues is that assessments can be influenced by personal biases or external factors which is not related to the actual performance of to a teacher. Student and teacher's access to resources, for instance, can influence results but might not be given sufficient consideration under assessment.

- **Resource Limitations:** Numerous learning institutions are confronted with resource constrains of implementing complete performance management systems. Lack of funds can limit availability of tools to capture and analyse data.

- **Unrealistic Goal Setting:** Employees may find it difficult to meet performance goals if expectations are not clearly stated in advance and are not discussed with them, even though they have roles and responsibilities to fulfil.

- **Resistance to Change:** If teachers believe that performance management programs are punitive rather than supportive, they may oppose them. To overcome resistance, it is crucial to communicate the goal of these systems effectively.

- **Insufficient Development Opportunities:** Performance management should provide opportunities for growth and employee development, yet many systems overlook this. Rather than fixing problems and offering scope for improvement, some performance management systems are interested in penalizing underperformance.

- **Absence of Two-Way Communication:** Performance management must be a two-way process where employees are able to give feedback and managers are able to respond to issues. When employees voice concerns or give feedback, but the concerns are ignored or not responded to, it results in frustration and distrust.

Even though these concerns reduce the effectiveness of performance management, when used correctly, it may be a motivational tool that helps identify each person's areas for growth and development. It provides employees with an opportunity to express their opinions and share perspectives with the administrator that eventually can result in better output. Giving feedback on performance management can boost the engagement and motivation of school employees, at the same time improve results, and enhance over al quality of educational standards

2B.2.4 Measuring Performance: Performance Appraisal with reference to its Purpose and Process

In human resource management, a performance appraisal is an instrument used for documenting and evaluating an employee's work performance. One of the crucial sub-functions of staffing in management is performance appraisal. It involves the process of compiling, documenting, evaluating and optimizing an employee's work performance. Roots of appraisal can be traced back to ancient times, documented as early as 221 AD, according to certain historians. Emperors of the Wei Dynasty used to evaluate their family members' accomplishments during day-to-day activities. However, others contend that the earliest records of such appraisal system date back to the 1800s, when Robert Owen's New Lanark Textile Mills in Scotland employed a color display to differentiate between employee performance. Generally, formal performance appraisals became much more prevalent around the world during mid-1950s.

A performance appraisal is, in essence, an evaluation of an individual's work performance or contribution to an organization. It is often carried out once a year after evaluating achievements, efforts and skill development in relation to predefined goals. Let us analyze the definitions provided by scholars on the subject to better grasp the term ‘performance appraisal’. The following are some of the definitions:

- According to **Edwin B. Flippo**, “Performance appraisal is a systematic, periodic and so far as humanly possible, an impartial rating of an employee’s excellence in matters pertaining to his present job and to his potentialities for a better job.”

- **Gomej-Mejia** defines, “Performance Appraisal involves the identification, measurement and management of human performance in organization.”

- **Randall S. Schuler** states, “Performance appraisal is a formal, structured system of measuring and evaluating an employee’s job, related behaviour and outcomes to discover how and why the employee is presently perfuming on the job and how the employee can perform more effectively in the future so that the employee, organization, and society all benefit.”

- In the words of **Dale Yoder,** "Performance appraisal includes all formal procedures used to evaluate personalities and contributions and potentials of group members in a working organization. It is a continuous process to secure information necessary for making correct and objective decisions on employees."

Many scholars, academicians and Management practitioners have provided a wide range of definitions for performance appraisal. These definitions of performance appraisal are identical, yet slightly diverse as different scholar has emphasized the different aspect of the concept. Simply put, Performance Appraisal is a scientific and objective method of assessing the relative quality of skills/ability of an employee to perform his job. Performance appraisal assists in determining those who are doing their assigned jobs well and those who are not and the reasons behind underperformance. The performance appraisal procedure is essential in the educational setting for evaluating teachers, and other staff for their performance, efficacy and making sure that learning objectives are fulfilled.

The terms performance management and performance appraisal are sometimes used interchangeably to describe the process of assessing performance of employees against the predefined objectives or benchmarks, regardless of how the process is carried out and what is the purpose of carrying out the process. There are, however, some significant differences between the two. Performance appraisal is a specific, static and periodic evaluation of past performance used to guide decisions like promotion and compensation. Thus, it tends to provide feedback looking back over a certain period, often a year. On the other hand, performance management is a more comprehensive, continuous and ongoing process that focusses on linking employee performance with organizational goals. In performance management, supervisors provide ongoing feedback to employees. The purpose of performance management is development and growth, focusing on improving employee skills and capabilities. Performance appraisal aims at assessment and documentation, helping to rate, record and evaluate past performance. Institutions that frequently utilize performance management include an annual review of performance as one stage in integrating performance appraisal into their workflow. Consequently, the two are not in contradiction with one another.

Purpose of Performance Appraisal in Education

Many administrative decisions, including those pertaining to hiring, training, promotion, transfers, and the handling of wages and salaries, depend on appraisals. Performance appraisals are employed for a variety of purposes. In the field of education, performance appraisal serves the following basic purposes:

- **Evaluating the Performance:** Determining the extent to which teachers fulfil educational standards and goals identifies areas of strength and weakness. Periodic evaluation gives an idea of individual levels of performance, promoting accountability among teachers.

Employees can learn how well they are performing on the job with the help of performance reviews.

- **Making decisions about promotions:** The outcomes of appraisals inform decisions about tenure, incentives, promotions, and the distribution of resources. When it comes to determining which employees can be promoted to higher positions, appraisals are crucial. Employees with sufficient talent are given consideration for promotions since performance reviews use merit as the basis for reward or promotion.

- **Improving Teaching Effectiveness:** Performance appraisal gives a framework for communication between the supervisor and the subordinate, and help them better grasp each other's objectives and concerns. This can also have the impact of enhancing the level of trust between the supervisor and the employee. Through the assessment of teaching practices, subject matter knowledge, and student interaction, performance appraisal assists teachers in refining their teaching skills.

- **Determining Training and Development Programmes for Professional Development:** Appraisal determines strengths and weaknesses, allowing staff members to participate in focused training and career development programmes. Performance appraisal is one of the critical factors used in measuring the training requirements of the employees. It decides which employee requires more training and analyzes the impact of training. Employees can learn about their improvement and different skills they need to develop to gain promotion and salary increment through performance appraisal.

- **Enhancing Institutional Performance:** Appraisals are employed by educational institutions to ensure that administrative staff and teachers adhere to the professional and ethical standards expected from them. By evaluating their contribution, institutions can introduce policies that will help in raising overall academic performance.

- **Fostering Constructive Feedback:** Performance appraisal establishes a line of communication between administrators and teachers, promoting a continual improvement culture. It might be the starting point for initiating conversation regarding work-related issues between the appraiser and appraisee. Effective communication and a feedback process assist the appraiser and appraisee get to know one another. The appraiser gains a clear understanding of what has to be done to improve performance and advance in the organization's career path.

Process of Performance Appraisal

The performance appraisal process is usually systematic in nature to promote fairness and effectiveness. The major steps in the process are:

1. **Setting Performance Criteria:** Dimensions on which an employee is measured are referred to as the criteria of evaluation. In teaching field

such performance criteria can be enhancing student participation and engagement or improving teacher-student relationships. Clear and crisp criteria are determined at the commencement of the appraisal cycle. These standards must be aligned with institutional objectives and well-communicated to all staff before the appraisal cycle starts. This can decrease anxiety and possible conflicts. Creating clear, measurable, and pertinent standards from institutional objectives, job descriptions and educational standards.

2. **Designing the Appraisal Program:** Institutions need to develop a structured program that defines how performance will be measured. This involves choosing the right appraisal methods and criteria specific to the educational setting. Even at this point plan on when should evaluation be conducted is mapped out.

3. **Collecting Data:** Collecting data needs to be comprehensive. Appraiser also need to focus on metrics like student engagement, classroom environment and extracurricular involvement apart from just blindly following the checklist. Obtaining information by various sources including student response, peer responses, classroom observations, and self-evaluation provides a more comprehensive picture of performance.

4. **Carrying out Evaluation:** Evaluation may be of different types such as self-assessment, peer review, and supervisor assessment. Each type yields different views on teacher performance. Utilizing predefined rubrics and evaluation forms help in objectively analyzing the data collected.

5. **Providing Feedback:** Once assessments are done, feedback must be given to teachers. Developing mechanisms for feedback channel where in students, parents, and teachers can provide feedback is essential. This 360-degree feedback system can provide valuable insights. This feedback is important in informing future performance and professional development. Having meetings where appraisers give constructive feedback, identify strengths, and recommend areas of improvement are essential at this stage.

6. **Reviewing Outcomes:** At this stage, the results of the appraisal process need to be reviewed to check their effect on teacher performance and institutional objectives. On the basis of feedback, a plan is formulated for professional development, encompassing training, workshops, and mentoring sessions. It is important to keep a record of all reviews. This not only acts as a point of reference for future appraisals but also enables teachers to look back on their journey of growth.

Generally, the appraisal cycle ends here, but the modern HRM also focuses on implementation and follow-up. They monitor the progress of

the teachers regularly to ensure that the educator implements the feedback achieves the desired improvements.

2B.2.5 Tools and Techniques of Performance Appraisal in Education

The tools and techniques available for performance appraisal of teachers, educators and academic administrators are diverse and serve a range of purposes including improving the quality of education or encouraging professional development. Depending on the size of their workforce, the type of work, and institutional requirements; institutions select the most effective technique. Techniques are the approaches or strategies used to carry out the assessment process and analyse the data, whereas tools are the equipment or instruments used to collect and record information regarding employee performance. An employee's professional efficiency can be thoroughly evaluated with the thoughtful use of appropriate tools and techniques. Let's discuss some of the most common performance appraisal techniques used in education sector.

1. Self-Appraisal

Teachers and faculty members can use self-appraisal to evaluate their own performance, areas of strength, and areas for development. This approach encourages self-reflection, self-awareness, and responsibility. Many educational institutions require teachers to provide self-assessment evaluations that highlight their engagement in academic activities, research contributions as well as effectiveness as teachers. An educator can self-appraise by using tools such as written reports, keeping a reflective journal, completing self-evaluation forms, and attending performance review sessions. It assists teachers in evaluating their own work and highlighting areas in which they need to improve.

2. Peer Review

Peer review entails faculty members evaluating one another's work according to predetermined standards. Since coworkers are aware of the challenges and requirements of the field, this method seeks to offer an objective and fair assessment. Peer review might involve collaborative research evaluations, pedagogy discussions, and classroom observations. Apart from these, procedures like structured observation checklists, rubrics, peer assessment meetings, and informal feedback sessions increase the efficacy of peer review and reduce the possibility that bias or personal feelings would skew objective feedback.

3. Student Feedback

Student feedback is frequently utilised technique whereby students share their opinions about a teacher's teaching strategies, engagement in the classroom, clarity of teaching and overall effectiveness. Questionnaires and feedback forms are frequently used by institutions to get student opinions about the performance of their educators. This data can help identify areas in which educators outperform or require assistance. This feedback can also be gathered using tools that aid in obtaining insightful

information, such as structured surveys, anonymous surveys, Likert scale ratings, open-ended feedback forms, and direct student interviews. Despite its value, student feedback needs to be carefully analysed to make sure it represents authentic learning experiences rather than prejudices and biased opinions.

4. Classroom Observation

Through classroom observation, evaluators—such as principals, academic coordinators, or senior faculty members—attend a teacher's class in order to assess their efficacy, student involvement, instructional tactics, and use of teaching aids. appraisal based on classroom observation emphasizes the use of learning strategies, student interaction, and real-time teaching practices. It offers a tangible foundation for evaluation. Video recording, checklist-based assessments, systematic observation guidelines, and real-time feedback sessions are among the few of the tools the evaluator might utilise to increase observation accuracy.

5. 360-Degree Feedback

The 360-degree feedback method gathers performance ratings from different sources, such as students, peers, administrators and self-rating. It is widely believed that during World War II, the German military initially started collecting input from various sources to assess performance. Esso Research and Engineering Company used surveys to collect employee data in the 1950s, which is one of the earliest known instances of having 360-degree feedback. After that, the practice of 360-degree feedback gained popularity, and by the 1990s, the majority of organisation development and human resources experts were aware of it.

Four essential elements contribute to a 360-degree appraisal: Self appraisal, Superior’s appraisal, Subordinate’s appraisal (student’s feedback) and Peer appraisal. The method is all-encompassing in nature to facilitate a complete appraisal and gives information based on diverse viewpoints. For instance, ratings gathered from peers concerning teamwork, students concerning teaching and supervisors concerning goal congruence. It focuses on teamwork and collective responsibility in personal development. For 360-degree feedback, schools may employ instruments such as confidential online surveys and group discussions to examine their strengths and weaknesses.

6. Performance Portfolio Assessment

A teaching portfolio contains documentation of lesson plans, research papers, student assignments, feedback and proof of professional growth. Assessors review these portfolios to determine a teacher's dedication, creativity and influence on student learning. Portfolios give a concrete picture of an educator's work and achievements, facilitating qualitative assessment. This approach to assessment is utilized more in higher education institution (HEIs) and Universities. A teacher's portfolio - digital or paper-based, may contain lesson plans, samples of student work, professional development program certifications and documentation of

participation in innovative projects or research which are assessed as a part of the appraisal process.

7. Management by Objectives (MBO)

In the book "Practice of Management", published in 1954, Peter Drucker provided the first description of Management by Objectives. Drucker emphasised how crucial it is for employees to have specific goals that align with the goals of the company. Along with Peter Drucker, Douglas McGregor (1960) also contributed significantly in the first drive for MBO. Management by Objectives (MBO) is a technique where teachers set specific, measurable, achievable, relevant, and time-bound (SMART) goals in collaboration with superiors. Performance is evaluated based on the accomplishment of these goals and progress is reviewed on a regular basis. The technique promotes performance that is goal-oriented and ongoing professional development. Because both leadership and staff collaborate, employees value being involved in the process, goals are more achievable. It also facilitates measuring both quantitative and qualitative data.MBO is a technique that is closely linked to team building in order to boost team members' dedication for work and motivate them to perform at a high level. Tools like goal-setting templates, periodic progress reviews and mentorship programs help employees to be focused.

Other prevalent tools and techniques for performance appraisal are:

- **Key Performance Indicators (KPIs)** tool is a software or platform that track, analyse and present the data related to key performance indicators visually. It includes specified measures/key indicators like student performance scores, student retention rates, faculty work load and productivity, e-learning activities, professional development activities and institutional contribution. These measures are used as yardsticks to assess an educator's overall performance. Analysis of data, performance dashboards, charts, statistical reporting and institutional benchmarking done through KPI assists in determining differences in effectiveness among educators.

- **Performance-Based Appraisal System (PBAS)** classifies performance into definite areas like teaching competence, co-curricular activities and research contributions. It enables a thorough assessment of the overall contribution of a teacher to the learning environment. PBAS is frequently used to evaluate teachers and other academic staff at a number of renowned universities, including Delhi University and Mumbai University, and colleges. Regulations governing the use of PBAS in Indian colleges and universities are set forth by the University Grants Commission (UGC). It is usually based on Academic Performance Indicators (APIs).

- **Behaviorally Anchored Rating Scale (BARS)** employs a pre-defined set of performance guidelines with clear behaviors defining each performance level. It is a rating scale that typically uses a five, seven

or nine-point scale to compare the employees' behaviours to specified behaviour examples that anchor each performance level.

- When using **Critical Incident techniques**, the assessor compiles lists of an employee's behaviour i.e. exceptionally effective and disappointing. Through a log of each employee, where an evaluator periodically documents significant incidences of the employees' behaviour, these crucial incidents or events serve as a representation of the exceptional or subpar behaviour of the employees.

An essential component of human resource management is performance evaluation. In order to provide impartial, effective, and growth-oriented assessments, appraisal trends have been gradually shifting from conventional modern approaches. Modern methods include Management by Objectives (MBO), 360-Degree Feedback, Behaviorally Anchored Rating Scale (BARS), Psychological Appraisal, Assessment Center Method and Continuous Feedback System. On the contrary, traditional approaches emphasise hierarchical, structured techniques like ranking, paired comparison, graphic rating scale, critical incident method, checklist method, confidential report, and essay method. Due to their failure to take into account each person's distinctive strengths and weaknesses, these approaches might not be balanced.

In summary, compared to traditional methods, modern performance appraisal techniques have several benefits, such as improved employee engagement, information-driven decisions, individualised plans for development and decreased subjectivity. Institutions can enhance overall performance, promote improvement, and gain a better understanding of the strengths and limitations of their workforce by implementing modern approaches.

2B.3 ETHICAL ISSUES IN HRM IN EDUCATION

Human Resource Management (HRM) in educational institutions is vital for maintaining smooth operations, promoting a positive work environment, and protecting ethical standards. HRM is the foundation of an atmosphere where academic success and personal development coexist; it is not just about handling mundane administrative tasks in a school. Ethical HRM is crucial to upholding the integrity of education institutions by securing equitable treatment and encouraging fairness.

Ethics in HRM involve the moral principles and professional codes that guide decision-making in handling human capital. In the academic environment, such moral tenets become even more important considering that the institution is tasked with nurturing the next generation of people and maintaining the values of society.

An educational institute may face ethical challenges like discrimination or favoritism in hiring and promotion processes or incompetent handling of workplace conflicts and grievances. Here, HR professionals have to balance legal regulations and moral obligations in ensuring the staff and

other stakeholders are treated by the education institute with justice. In addition to following the law, HR departments are supposed to promote a workplace environment where resolving ethical conflicts is a standard component of daily management. Ethical management of workplace grievances and conflicts is central in maintaining a fair and inclusive environment within education institutes. It also ensures that institutional environment is free of discrimination for teaching staff, administrative personnel and students.

The underlying causes of conflicts and disagreements in the workplace must be our first consideration before discussing the characteristics required to handle grievances and conflicts. Ethical HRM concerns in the education sector occur as a result of intricate interactions among employees, management, students and external stakeholders. Some of the key ethical concerns are:

There are issues regarding bias and discrimination when educational institutions fail to ensure that hiring, promotion, and employment decisions are free from discrimination on the basis of gender, colour, ethnicity, religion, or disability. Even the lack of appropriate remuneration and benefits for teachers and employees can lead to pay disparities and unjust compensation, which can cause discontent and grievances. One of HRM's main ethical obligations is to handle and prevent harassment, including bullying and sexual harassment. In addition to these, disagreements about philosophy, approaches to teaching, availability of resources or interpersonal problems can lead to conflict. To keep the atmosphere peaceful, ethical conflict resolution techniques must be used by HRM.

2B.3.1 Characteristics Required for Handling Workplace Grievances and Conflicts Ethically

Ethically managing conflicts and grievances at work necessitates a set of characteristics that equip HR professionals to handle difficult interpersonal confrontations. In educational institutions, these characteristics support the development of a culture of fairness, respect, and trust.

A key characteristic is **fairness and impartiality**. This entails implementing policies consistently and impartially. Being impartial is essential while handling complaints at work. Administrators and human resources professionals should assess conflicts and complaints impartially and without bias. Treating all workers fairly guarantees that their assessment is based on facts and competencies rather than on personal connections or partiality. For example, HR must follow an unbiased procedure that protects the rights and dignity of all parties when an employee files a grievance alleging discriminatory practices in the promotion or distribution of teaching responsibilities.

Transparency in policy and decision-making along **with clarity in communication** promotes trust and reaffirms the institution's dedication to ethical practice. HR professionals must explain policies transparently, give logical explanations for decisions and provide access to grievance

redressal channels for the employees. In a situation where, a teacher's contract is not extended, clear communication of reasons along with the possibility of appeal or discussion sustains trust in the institution's HR policy.

Moreover, the integration of **anti-discrimination policies** in educational institute by HRM also underscores the importance of ethical practice in managing grievances. These policies aim to actively break down systemic disparities and confirms that every single person—irrespective of their race, gender, or socio-economic status—is provided with equal opportunities. Strict adherence to anti-discrimination laws in educational settings has become essential in fostering more inclusive cultures in nations like India. The focus on eliminating biases in hiring, promotion, and professional development processes reflects the wider societal need for social justice in education. Holding administrators and employers to these high standards can inspire confidence among staff members, which can foster more creative, committed and cooperative academic communities.

The combination of **empathy and active listening** is another essential characteristic. In educational institutions, conflicts may not only arise from professional differences but may also represent underlying struggles involving respect, self-worth and professional identity. Grievances are handled sensitively when HR professionals show empathy while understanding the concerns of their staff. Active listening entails paying close attention to what employees have to say, recognizing their concerns as well as attempting to find a solution. If a staff member claims harassment, the HR department should treat the case with empathy and confidentiality while conducting a comprehensive investigation and assuring the victim’s safety.

Clear policies for ensuring equity are also indispensable in addressing grievances. HR of educational institutions are required to adopt and execute strong frameworks that outline the process to resolve and treat conflicts. These guidelines must provide for confidential reporting, regular review of conflict resolution mechanisms and the setting up of ethics committees, etc. For instance, HR of a particular institution can establish committees that have members drawn from diverse backgrounds so that decision-making in promotion or workload distribution is informed by ethical principles that ensure fairness and equity.

HR professionals must master **mediation and negotiation skills** to effectively handle workplace conflicts. Conflict resolution at the earliest prevents the conflict from taking a severe form and hampering the functioning of the institution. In addition to these interpersonal competencies and procedural guidelines, HR professionals are also required to undergo ongoing training and education in ethical leadership and dispute resolution if needed. Diversity, equity, and non-discrimination training programs enable HR professionals to see not only the legalities of workplace complaints but also their ethical implications.

Essentially, the ethical HRM within education involves a multi-layered strategy that integrates explicit descriptions of ethics, a commitment to equity and fairness and the practical application of structured grievance mechanisms. By integrating characteristics such as impartiality, transparency, empathy as well as well-formulated anti- discrimination policies; educational institutions can efficiently manage workplace grievances and conflicts. As educational institutions work to shape future leaders and responsible citizens, ethical human resource management plays an increasingly important role. HR professionals make sure that these institutions' internal relationships uphold the highest standards of justice and equity, which are essential for the wellbeing and the advancement of society.

2B.3.2 Ethical considerations in staff recruitment, development, and termination

In education, ethical practices are the cornerstone of sound human resource management. In addition to determining the level of competency and integrity of academic staff, the procedures for staff recruitment, development and termination have an impact on the entire educational environment. Ethical recruitment, development and termination are not merely administrative processes but necessities with obligations that denote the quality and effectiveness of education.

As we have seen in previous topic, Ethical Considerations denote the principles that guide decision-making processes in ways that respect the rights and dignity of each person. In the context of education, this involves how staff are recruited, developed and terminated while maintaining fairness and equity. Ethical principles provide assurance that personnel decisions are transparent, fair, equitable and in line with the institution's values. Since teachers have a great influence on young minds, ethical practice in their management has long-term effects on learners, communities and society as a whole. Hence, ethics emerges at the forefront of defining the structure of staff recruitment, professional development and termination in the education sector. Let us understand in detail each of the processes and ethical practices that need to be embedded within.

Ethical Considerations in Staff Recruitment

When we think about education field, recruitment becomes a determining factor since the quality of the teachers influences the learning process and academic achievement of the students. Staff recruitment refers to the structured process of appealing, selecting and hiring individuals to work in academic positions in an educational institution. In ethical recruitment, every step—ranging from preparing job advertisements to the shortlisting of candidates—must adhere to standards of fairness, equal opportunity and transparency. The recruitment process must obviously refrain from gender, race, religion, age or disability related discrimination and in that way ensuring a diverse, competent and dedicated workforce.

Here are some of the essential elements that needs to be ensured for ethical consideration in Staff recruitment:

First and foremost, every candidate must be judged fairly during the recruitment process. Regardless of ethnicity, gender, religion, age or disability, recruitment procedures must guarantee equity by providing each applicant with an equal opportunity. Recruiter must deliberately avoid biases, whether they are conscious or unconscious. To guarantee that each candidate's skills and experiences are evaluated fairly, for example, an institution may use standardised interview procedures to maintain utmost transparency in the process.

Maintaining transparency is the second consideration. Transparency entails communicating the job criteria, evaluation procedures, and decision-making processes in a clear and concise manner. Documented selection criteria and detailed job descriptions help candidates understand their responsibilities and allow the institution to defend its placement decisions. Additionally, advertisements should clearly outline the requirements, duties, and expectations for the position. Finally, training for recruitment personnel ensures that they are aware of ethical standards.

Additionally, objective standards like merit, experience and competencies should be used to make recruitment choices rather than arbitrary factors like personal liking or preconceptions. It's crucial to choose applicants with established skills and qualifications. Nepotism, favouritism, and other unethical practices should be avoided in ethical recruitment, which can jeopardise the efficacy and integrity of the educational institution. For instance, to ensure greater accountability, educational institutions can create selection committees with members representing diverse field rather than depending solely on personal contacts.

As established, recruitment is the first step towards the creation of an efficient educational workforce. A practical application of ethical recruitment in education might comprise the practice of posting job vacancies on different sources so that many applicants can be attracted, which is then followed by structured interviews and peer assessments. An absence of such an ethical practice is when a school recruits a candidate simply because of personal connections and thereby overlooking more qualified applicants.

Ethical Considerations in Staff Development

Staff development is the continuous activity of enhancing teachers' competence, knowledge and pedagogical skills. It is required to maintain high quality of learning and teaching besides adapting to the evolving nature of education. Ethically driven staff development processes ensure equal access to development opportunities to all teachers. Ethical staff development thus encompasses training, mentoring, and continuous professional development of staff while ensuring equitable access to opportunities and resources. In the teaching profession, staff development enhances teachers' ability to deliver high-quality teaching and adapting to new pedagogical improvements.

Here are some of the crucial aspects that have to be maintained for ethical staff development practices:

To begin with, equitable access to professional growth opportunities is fundamental for ethical staff development practice. Institutions have to ensure that all employees, regardless of their seniority or background, are presented with an extensive range of professional development programs. These may vary from workshops and training to further education programmes and mentoring classes. An ethical stance requires these to be accessible and not reserved or selectively offered to some select group.

After that, another essential aspect is respecting individual aspirations and autonomy of every staff member. Ethical staff development is attuned to the reality that staff members have personal learning needs and career ambitions and also personal goals and interests. Individualized professional development plans, rather than generic training sessions, are a sign of respect for individual autonomy. For instance, a school may provide teachers with a range of courses covering topics like inclusive pedagogy and digital literacy.

And finally, regular performance assessment and feedback sessions are indispensable professional development mechanisms. Transparent communication of expectations and areas of improvement allows teachers to envision their development. Furthermore, a two-way feedback system ensures that development programs are effective and relevant.

By adhering to ethical principles, institutions create a culture where educators feel valued and supported, that eventually leads to enhanced job satisfaction, professional growth and most importantly improved student learning experiences. An illustration of ethical staff development practice would be conducting workshops seminars on new teaching techniques and inviting teachers from every department. Denying professional development to some staff members based on prejudice or subjective norms is not compatible with ethical commitment to equitable development and advancement.

Ethical Considerations in Staff Termination

Termination is the process of ending an employment connection, whether voluntarily or involuntarily. Terminations in the educational sector require extreme care because staff members serve as mentors and academic guides in addition to being just employees. Given the impact on teachers' personal and professional life as well as the learning environment for pupils, termination in the education sector can be a sensitive matter. An ethical termination could entail giving the departing educator enough notice, severance money, and counselling assistance. On the other hand, if an educator is dismissed without justification or without an opportunity to defend the decision, it may be considered an unethical termination.

These are some of the crucial requirements that must be followed in order to ensure ethical consideration while terminating staff:

A comprehensive, well-documented, and equitable procedure must be followed before any decision to terminate employment is made. It should include clarity on explicit standards of performance, multiple review meetings and opportunity for the employee to improve. Members of staff should be provided a reasonable opportunity to defend themselves if the dismissal is on the grounds of underperformance or misconduct. Discriminatory or unfair dismissals are contrary to ethical standards. Ethically, dismissal can be thought of only as a last resort following clear warnings and efforts at correcting or improving employee.

Along with, clear documentation and communication of the termination reason are not only ethically necessary but legally required. Transparency reduces the likelihood of dispute and renders the action justifiable. Creation of a review panel and strict adherence to institutional policy further strengthen ethical termination procedures.

Furthermore, it is crucial to ensure that termination policies are applied equally to all employees which safeguards against any discrimination claims. For instance, if a teacher is terminated for using outdated teaching techniques and at the same time the other teacher is not reprimanded for the same, this inconsistency can generate perceptions of unfair treatment.

Last but not the least, the way termination is communicated is critical in maintaining the dignity of the departing individual. An ethical practice could include counselling, providing emotional care or facilitating career transition. Even in the event of forced termination, maintaining respect for him or her saves the dignity of the institution and minimizes undesirable consequences.

In nutshell, ethical considerations in staff recruitment, development, and termination play a vital role in determining the integrity and success of educational institutions. Fair and transparent hiring practices ensure that qualified and dedicated teachers are selected, fostering an inclusive and equitable environment. Ethical staff development initiatives help teachers grow professionally, enhancing their effectiveness and job satisfaction. Similarly, ethical termination procedures ensure dignity and respect, restoring confidence in the institution.

2B.4 SUMMARY

In a world that is constantly shifting, education is a progressive process. To make a difference in the world and promote long-term development, people need to have access to high-quality education. Teachers are one of the most important resources in charge of upholding the high standards of the educational system; they are in charge of creating a supportive learning environment, involving with the community, facilitating the learning of all students, planning and designing lessons and remaining active in their professional development activities. Since efficient, high-quality teachers support students' remarkable academic achievement and enhance school performance, Performance management and Appraisal promises continual professional development and advancement of

teachers. The chapter also throws light on another important component for quality education namely, ethical practices in HRM. By prioritizing fairness, transparency and respect at every stage may it be recruitment development or termination, educational institutions create a conducive work culture that benefits both staff and students. When educators are treated ethically, they subsequently reflect these values, influencing students' moral and intellectual development. Ultimately, ethical staff management strengthens the credibility of educational institutions, contributing to a sustainable and ethical society.

2B.5 UNIT EXERCISE

Q. 1 Fill in the blanks.

1) The four stages of a performance management cycle, according to Michael Armstrong as mentioned in his book "Handbook of Performance Management", are _____, _____, _____, and _____.
2) _____method of performance appraisal gathers performance ratings from different sources, such as students, peers, administrators, and self-rating.

Q. 2 Answer the following Essay type questions.

1) Explain the process of Performance Management in the education sector. Discuss each stage in detail.
2) Discuss the ethical considerations in staff recruitment, development, and termination in educational institutions.
3) According to you, which are the characteristics required for handling workplace grievances and conflicts ethically in educational institutions? Why?

Q. 3 Short notes.

1) Principles of Performance Management
2) Purpose of Performance Appraisal in Education

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3A

LEADERSHIP IN EDUCATION-I

Unit Structure :

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3A.1 Leadership in Education- An overview

3A.1.1 Concept of Leadership

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3A.0 LEARNING OUTCOMES

After reading this unit, the student will be able to:

- Define leadership
- Explain the concept of leadership
- State the characteristic of leadership
- Describe the qualities of an effective and successful leader
- Differentiate between a Leader and a Manager
- Discuss the various approaches to leadership

3A.1 LEADERSHIP IN EDUCATION-AN OVERVIEW

Educational institutions have evolved from philosophical-spiritual Ashrams during the Vedic period to socio-psychological institutions in the twentieth century.It has further more evolved to become socio-technical systems in last few decades. However, regardless of the structure of these institutions, two key components have remained constant: the human resource, and the guiding and leading authority. Nowadays educational institutions, though, use technology; individuals are the most crucial unit of these institutions. Whether it is a nursery school, a university, or a research institute, as well as highly diverse and complicated administrative departments established by government agencies, the effectiveness with which leadership is performed in the institute has a significant impact.

Napoleon Bonaparte was right in saying, “Leaders are dealers in hope.” Leader is a crucial figure who has the ability to transform the work environment in such a way that all employees are inspired to work hard in order to achieve the objectives. The importance of leadership in management of any educational institute cannot be underestimated. Educational leaders like Vice-Chancellors, Principals of Colleges, Heads of Departments, Headmasters of Schools and Directors, and others, with their thorough understanding of not only the objectives, but also the leadership traits and leadership style that is best suited to the current situation, can undoubtedly be a catalyst in achieving the institutional goals most efficiently.In the following subunits, the concept of leadership, leadership traits, and leadership style are discussed in depth.

3A.1.1 Concept of Leadership:

Leadership is a remarkable quality that has the potential to create and transform everything. The term ‘leadership’ refers to a social idea that was originally conceived in the 1960s to highlight the leader's ability to influence individuals in the organisation in order to achieve organizational goals. ‘Leadership’ is a term that can be defined in a number of different ways. James McGregor Burns (1978, p. 2) in his book “Leadership” describes leadership as "one of the most observed and least understood phenomena on the planet. "Scholars not often agree on what leadership entails. Different researchers define it in different ways. Although simple assertions like "leaders get others to accomplish things," "leaders have followers," and "successful leaders help the individual or group perform better" are generally agreed upon, leadership is a difficult concept.

Let us analyze the definitions provided by scholars on the subject to better grasp the term ‘leadership’. The following are some of the leadership definitions:

- According to the Encyclopedia of the Social Sciences, "Leadership is the relation between an individual and a group around some common interest and behaving in a manner directed or determined by him".

- Warren Bennis (1989) states that “Leadership is a function of knowing yourself, having a vision that is well communicated, building trust among colleagues, and taking effective action to realize your own leadership potential".
- Herold Koontz (1988) defines Leadership as “the art of influencing people so that they strive willingly and enthusiastically towards the accomplishment of group goals.”
- "Leadership is a process of giving purpose to collective work, and causing voluntary effort to be exerted to attain purpose," according to Jacobs & Jaques (1990, p.281). According to this definition, an educational leader is someone who is willing to put forth all efforts toward reaching institutional goals while also encouraging and motivating others to do the same.
- Tannenbaum, Weschler, Massarik (1961) asserts that “leadership is an interpersonal influence exercised in a situation and directed towards the attainment of a specialized goal or goals.”
- According to Keith Davis, “Leadership is the ability to persuade others to seek defined objectives enthusiastically. It is the human factor which binds a group together and motivates it towards goals.”
- Donelly, J.H., Ivancevich, J. M., and Gibson, J.L. (1985) define leadership as “an attempt at influencing the activities of followers through the communication process and toward the attainment of some goal or goals.”.
- The definition by Koontz and O'Donnell, “Managerial leadership is the ability to exert inter-personal influence by means of communication, towards the achievement of a goal”, also focuses on leadership as interpersonal process focused on communication.
- R. T. Livingston summed it out best in few words. According to him, Leadership is "the ability to awaken in others the desire to follow a common objective".

It is clear from the aforementioned definitions, that Leadership is a process that involves relationships and so cannot exist in isolation. Just as a teacher's existence is pointless without a student, leadership is meaningless without a follower and a situation. leadership is not a solo endeavor. It is a mutual exchange between individuals. As a result, leadership is a social process that include two elements: a leader and followers.

Leadership is a psychological process of persuading followers and guiding, directing, and leading people in an organisation to achieve objectives. It is the psychological element that binds a group together and drives it to achieve its objectives. Leadership is regarded as a set of skills that leaders must possess in order to properly complete leadership

responsibilities. Leadership is the ability to influence followers' actions by inspiring confidence and zeal.

The leadership process is the interaction between leaders and followers, as well as the situational and organizational framework in which these interactions take place. It highlights the role of interactional processes in achieving objectives Leadership is fundamentally an interpersonal activity in all of its dimensions.

All of these definitions reveal that the concept of leadership has two main dimensions: achieving organizational objectives and interacting with individuals. A leader, followers, and a situation are all inevitable components of leadership. The leadership process is defined by the interaction between the leader and the follower, as well as the situational and organizational framework in which the interactions between leaders and followers take place to achieve organizational objective.

3A.1.2 Characteristics:

Leadership is the ability to manage, guide, and influence the behaviour and work of others in order to achieve certain objectives in a given circumstance. A thorough analysis of the aforesaid definitions reveals the following essential leadership characteristics:

- It is a collaborative effort. It comprises two or more people i.e., a leader and follower/s, communicating with each other Leadership implies the existence of followers.
- Leadership is goal-oriented and involves the leader and its followers to participate in activities to help move the group further in reaching and obtaining its goal. Leadership entails a shared goal between the leader and his followers.
- It is an inter-personal process in which a leader influences and guides followers toward the achievement of goals.
- Leadership is a process of persuasion. Leadership indicates that leaders can influence their followers in to follow his directives willingly.
- Leadership is the art and thus involves using skills like creative thinking, sound judgement, decision making ability to guide and direct.
- Leadership emerges from interaction rather than being dictated just by position or formal authority. Leaders can direct group members' activities. The members of the organisation have complete trust in his leadership and are willing to follow the majority of the leader's directions.
- Leadership is the function of inspiring individuals to work willingly toward organizational goals. A successful leader allows his followers

to choose their own personal goals as long as they do not clash with the organization's aims.

- Leadership is a psychological process that involves influencing followers, binding them together and motivating them to achieve the goal.
- Leadership is situational as it is the responsibility one presumes in certain situation. It all relies on how a leader deals with the situations.
- Leadership is not just a linear process flowing from leader to the follower but it is a composite entity that consists of the force and direction that develops from a group that is larger than the individuals that make up a group or organisation.

After the discussion of leadership characteristics based on its concept, the subsequent section focuses on effective and successful leader. The qualities mentioned would be those successful leaders demonstrate through leading a group of people or organization.

Check your progress:

1. What is leadership? Define leadership.
2. Enumerate the characteristics of leadership.

3A.2 EFFECTIVE AND SUCCESSFUL LEADER

The distinction between leader and leadership is crucial, yet it can be confusing. The leader is a person; leadership is the role or activity that a leader conducts. A successful leader elicits desired behaviour from his/her followers. Success is determined by how an individual or a group behaves. While, effectiveness is determined by the level of leadership s/he is capable of providing. The efficacy of leadership is judged by the extent to which the leader accomplishes the tasks and achieves the objectives.

To be effective and successful, a leader must possess certain fundamental qualities. Several researchers have identified some characteristics that a successful leader should possess. However, the discussion is too diverse, encompassing qualities required for a successful and effective leader from a variety of sectors such as politics, spiritualism, entrepreneurship, educational, finance, technology, medical, and business, among others. Therefore, the following discussion will be limited to the educational profession and the qualities of a successful and effective leader in the field of education.The following are the requisites to be present in a successful and effective leader:

Ability to influence others:

Effective leaders can influence others to help them achieve desired objectives. S/he assist her/his followers in recognizing what has to be done and directing them in the right direction. That means that a person has the

ability to influence their ideas and behaviour. Effective leaders are able to persuade others through genuine and straightforward communication.

An Effective Communicator:

Leaders needs to be skilled communicators. A leader is required to clearly, precisely, and effectively express plans, policies and processes to his followers. This is useful for persuasion and stimulation. S/he is required to communicate with the individuals s/he leads on a frequent basis to have a consistent meaningful connection. This is what brings people together and builds trust.

A Collaborative Outlook:

The feeling of collaboration is indispensable for achievement of common goal. Everyone wants to feel like they are contributing to make a difference, are being attended to and getting responded for their perspectives. The feeling of collaboration is indispensable for achievement of common goal. Effective leaders provide the space for that kind of contribution by each team member. They have the capacity to make others around them feel more important and more confident.

Clarity of Vision and Purpose:

Setting and expressing a clear purpose and vision are the most crucial prerequisites for an effective and successful leader. A leader's influence cannot be sustained unless he demonstrates vision. S/He must visualize problems in order to create logical solutions. Outstanding leaders not only envision the future, but they also know how to communicate their vision to their followers and get their attention and cooperation. Such leaders understand how to inspire others with their vision of the future, and they can influence and motivate others to join them in achieving common objectives.

Analytical Mindset:

A leader has to be able to analyze difficulties and challenging situations. An effective leader is also an analytical thinker who evaluates the pros and drawbacks of a scenario before summarizing it. Successful leaders are problem solvers who are capable of making decisions in rapidly shifting circumstances. They analyse the complexity of a situation and select appropriate courses of action.

Empathy:

When it comes to leadership, empathy is equally vital. It is the only way to obtain fair judgement and impartiality. If a leader understands the difficulties and complaints of his or her people, as well as have a comprehensive understanding of their needs and objectives, eventually it will facilitate her/his human connections and personal interactions with employees.

Objective:

Good leaders demonstrate an objective outlook that is free of prejudice and does not indicate their inclination to a specific individual or ideologies. Such leaders form their own view and base his decision on facts and reasoning.

Humanitarian:

Respect for human dignity is essential quality because leader has to deal with human beings and is in personal contact with his followers. Effective leaders appreciate the importance of supporting and encouraging individuality while also understanding organizational structures. Therefore, treating the human beings on humanitarian grounds is essential for building a congenial environment.

Integrity:

Effective leaders have a high level of integrity and adhere to values of honesty, morality, and sincerity. This signifies that a leader says what they mean and follows through on their promises. Such leaders consistently display these habits to others. Their actions remain consistent regardless of the situation or the individuals they are with.

Taking Accountability:

It is essential for a leader to have a sense of responsibility and accountability for his/her job in order to get a sense of influence. For this, s/he must motivate himself/herself and stimulate the desire to perform to the best of the skills. Then only would s/he be able to inspire his/her subordinates to do their best. Effective leaders hold themselves accountable and accept responsibility for their mistakes, and they expect others to do the same.

Fostering Creativity and Innovation:

Leaders who show willingness to take risks in order to foster creativity, will nurture the innovation that will drive the organisation to new heights. S/He constantly needs to be tenacious in the pursuit of goals, as well as being open-minded and flexible in the exploration of new ideas through brainstorming and experimentation.

Self-awareness and self-confidence:

Leadership necessitates self-awareness and self-confidence. The better the leader understands herself / himself and acknowledge her/his strengths and weaknesses, the more effective he may be as a leader. It is necessary for a leader to have confidence in herself / himself in order to gain the trust of the followers or teammates. A leader needs to be thoroughly aware of her / his own motivations, priorities, goals and challenges.

Building Trust and Transparency:

One of the most crucial leadership qualities is the ability to build trust and foster transparency. Followers expect their leaders to be trustworthy and to disclose all important information regarding the vision for the organisation. It is better if a leader freely speaks about everything that is happening on in their organisation, rather than withholding facts and leaving staff in the dark.Most importantly, transparency and openness give your followers clarity, and make them feel more empowered while keeping them engaged.

Apart from the above mentioned, some personal qualities like intelligence, sociability, persistence, prominence, persuasiveness, decisiveness, vitality, capacity to judge the people, expressiveness etc. are some of the qualities which may help a person to become a leader. Thus, effective leaders are visionaries who encourage innovation by influencing their followers to perform to the best of their abilities. Most commonly, they accomplish it through developing a shared goal, uniting a team, encouraging collaboration, building trust taking accountability and supporting and encouraging individuality of each member.

Becoming an effective and successful leader is a continuous process. A leader cannot possess all of these qualities at the same time. We must keep in mind that being a good leader takes time. Leadership is a journey, not a destination. Although some people are born with natural leadership abilities, it is something that anyone can learn and improve. One may lead a team to achieve through genuine effort, perseverance, and effective planning.

3A.2.1.Leader and Manager:

The terms leader and manager are sometimes used interchangeably to describe individuals in an organisation who have positions of formal authority, regardless of how they really perform in their responsibilities. However, just because a manager is a formal leader in an organisation does not imply that s/he exercises leadership. Often people assume that a manager and a leader play the same roles. There are, however, some significant differences between the two.

According to Online Etymology Dictionary (2022), the noun ‘leader’ is derived from old English ‘leadere’ which means "one who leads, one who is first or most prominent to guide, conduct”. While the noun ‘manager’ which arrived in the UK around 1580, is originated from the Italian word ‘maneggiare’, which means "to handle" or "to control a horse." The French word manège, which means 'horsemanship,' also influenced the English word.

Kotter (1990) in “A force for Change: How leadership differs from management” articulates the difference between leaders and managers in following word:

"The best direction for the organization is determined by its leaders, who motivate individuals to achieve their goals".

The other point of differentiation is that a person emerges as a leader. The question of whether or not she/he will emerge as a leader is always dependent on a variety of circumstances. A manager, on the other hand, is always appointed to his or her post. Managers have subordinates who work for them and primarily obey orders. Leaders do not have subordinates, but they do have followers. They relinquish formal authoritarian authority, because leading entails having followers, and following is always voluntary. Telling people what to do does not inspire them to follow a leader. Essentially, a leader's capacity to lead is always aided by informal powers i.e., the ability to influence and inspire. He/ she may or may not be in a position of formal authority. A manager, on the other hand, is always in possession of some level of formal authority.

To add up, a leader's primary goal is to achieve the same objectives as his or her followers. As a result, the objectives of the leader and the follower are aligned. A manager, on the other hand, seeks for objectives that his or her subordinates may not consider to be their own. To prove the point, let's take an example of a secondary school teacher who may not have any formal power. A humble teacher can emerge as a leader in certain crisis situation wherein she exerts her ability to inspire and influence and mutually seeks for achievement of objectives.

A leadership scholar, Warren Bennis was best known as the "father of leadership" and leadership education. In his book "On Becoming a Leader" (Rev. Ed. 2003) makes a clear distinction between leadership and management and between managers and leaders. According to him, "A manager's behavior and activities focus on controlling, planning, coordinating, and organizing. This differs from a leader, whose behaviors and tasks focus on innovation, vision, motivation, trust, and change." Warren Bennis and other scholars have identified important points of distinction between a leader and a manager, which are summarized in table 2.1

Table - Difference Between a Leader and a Manager

Sr. no.	Leader	Manager
1	Becomes a leader on basis of his personal qualities	Becomes a manager by virtue of his position.
2	Ask what and why	Asks how and when
3	Focuses on people and build relationship	Focuses on system and build processes
4	Do the right things	Do things right – as per set structure
5	Has a strategic vision for change	Establishes and imitates agendas and tasks

6	Conceives and develops	Administers and maintains
7	Inspires and gains trust of employees	Exerts control over employees
8	Followers follow them voluntarily	Subordinates follow their orders as part of their job
9	Challenges the status-quo	Accepts the status-quo
10	Utilizing human value and potential to solve problems	Planning and organizing to solve problems

Thus, Leadership doesn't require any managerial position to act as a leader. A manager, on the other hand, can only be a true leader if he possesses leadership qualities. Scholar Abraham Zaleznik sees "leaders as visionaries who are concerned with progress, whereas managers are planners who are concerned with process". This quotation clarifies the meaning of these two important terms. Managers accomplish their objectives through the use of coordinated actions and operational processes. Leaders, on the other hand, are more concerned with how to connect and influence people so that future growth is possible.

3A.3 APPROACHES TO LEADERSHIP

People have long been fascinated with leadership throughout history, but a variety of formal leadership theories have only lately emerged. During the early twentieth century, there was a surge in interest in leadership. As interest in the psychology of leadership has grown over the last century, a variety of leadership theories have been developed to explain how and why certain people become exceptional leaders.

Early leadership theories up to 1940s, especially related to trait approach, concentrated on the characteristics that distinguished leaders from followers. The subsequent theories examined other variable i.e., the situational factors in the leadership. The situational approach to leadership believes that situational elements, rather than personal traits, determine leadership. Fiedler's (1967) contingency model is one of the most serious and detailed situational theories in the leadership literature. Fiedler has been most likely the first researcher to see the need for a more comprehensive explanation of leadership phenomena based on situational variables. Some scholars regard situational theory and contingency model as similar because both emphasise the importance of situations; they differ at a point as they have different expectations of leaders. According to the situational approach, a leader should adapt to the situation at hand. According to Contingency Theory, the proper leader should be matched to the correct situation.

In past few decades, a third approach to leadership, known as the behavioural perspective on leadership, has been widely researched and

added to the trait and situational approaches. The behavioural approach is based on the premise that effective leadership is the result of effective role behaviour. Behavioural approach to leadership seeks to conceptualise various leadership styles as well as their effects on followers. This concept contends that multiple behavioural patterns or leadership styles exist that vary not just among, as well as within, individuals. While many various leadership approaches have been developed, the present section will highlight the major six distinct approaches to leadership. They are as follows: Trait, Transformational, Transactional, Psycho-dynamic, Charismatic, Social.

3A.3.1 Trait Approach to Leadership:

Trait approach to leadership is the earliest approach that study a set of traits that distinguished leaders from followers. It refers to psychological studies and theories that focus on the personal attributes of leaders like physical and personality characteristics and values. Many early trait researchers regarded leadership as a one-dimensional personality trait that could be measured consistently. The later trait approach researches are based on developing the lists of the traits of that are related to successful leadership and are used to predict leadership effectiveness. The generated lists of traits are then compared to those of potential leaders in order to determine their likelihood of success or failure. In 1989, John W. Gardner presented the results of his large-scale study of leaders, concluding that there are several traits that appear to make a leader successful in any situation. Some of the traits included were: physical vitality and stamina, action-oriented judgement, eagerness to accept responsibility, task competence, understanding of followers and their needs, skill in dealing with people, need for achievement, capacity to motivate people, trustworthiness, decisiveness, assertiveness and so on.

The trait approach to leadership contends that there are distinct psychological characteristics that explain for leadership emergence and effectiveness. It is much like personality traits that account for the persistent patterns of thought, action, and emotion of an individual and distinguish each individual from others. It acts as a benchmark against which an individual's leadership qualities can be measured. It provides in-depth knowledge and comprehension of the leader's role in the leadership process. For instance, unique individual differences in, personality or intelligence would explain why some individuals become leaders while others do not.

Trait approach posits that people inherit particular talents and attributes that make them better suited to leadership. Trait theories frequently pinpoint a specific personality or behavioural trait are generally associated with leadership. Although these traits distinguished leaders from followers, the traits required of a leader varied depending on the situation.

The trait approach has been criticized for neglecting the interaction between leader and follower. Personal traits are merely one aspect of the overall environment. By focusing primarily on possible traits, the other

aspects of leadership are overlooked. Further, it assumes that leadership is an inborn quality. This is not always true, as leadership qualities may be developed through training also. As well as, trait studies do not distinguish between trait that are needed for acquiring leadership and those that are necessary for maintaining leadership position.

3A.3.2 Transformational Approach to Leadership:

Leadership research has tended to stress the influence of leaders on subordinates since the late 1970s. It rather emphasizes on leaders' ability to inspire and empower their followers, allowing them to contribute their maximum. Transformational approach to leadership is one amongst them and sometimes it is seen as a type of charismatic leadership. In 1978, James MacGregor Burns in his book "Leadership" proposed transformational leadership theory that has impacted fresh perspectives on leadership.

According to Burns (1978), leadership occurs when people with certain objectives and goals utilize resources in order to stimulate and satisfy the motives of followers. He distinguished two types of leadership: transactional and transformative. Transactional leadership focuses on fundamental, mostly extrinsic drives and needs.On a higher level, transformative focuses on intrinsic andmoral motives and needs. Burns' idea of Transformative leadership is concerned first with higher-order psychological requirements such as self-esteem, autonomy, and self-actualization, and subsequently with moral issues such as, righteousness, responsibility and obligation.

Burns (1978) states that, "The result of transforming leadership is a relationship of mutual stimulation and elevation that convert followers into leaders and may convert leaders into moral agents". Transformational approach to leadership is centered on the leader's vision being communicated and shared with followers in order to inspire them to sacrifice personal interests for the sake of the group. Some of our freedom fighters like can be an ideal illustration of a transformative leader because they transformed the 'Janmanas' by sharing their vision of free India. Rather than limiting themselves to achieve power, they stayed aware of a higher purpose. Their leadership vision extended beyond them to the greater welfare of all who followed him and for the welfare of the whole country. Another good example can be Abraham Lincoln, an ex-president of U.S.A.' who promoted the freedom of all slaves nationwide and in doing so inspired people to sacrifice personal interest for social good.

Transformational leaders are described by Bernard M. Bass (1985) primarily in terms of its effects on followers. Followers who have faith in, affection for, devotion to, and respect for the leader feel motivated to go above and beyond their abilities. Followers of transformational leaders tend to identify deeply with and be transformed by the leader. Leaders facilitate followers' transformation by raising awareness about the importance and value of goal accomplishment, urging followers to transcend their own self-interest for the sake of the organisation or team,

and activating higher order needs. This results in a shift in both leaders' and followers' values, expectations, and motivation. Leader influences followers' self-efficacy, and self-esteem as well. Thus, they empower their followers to reach their full potential and contribute more effectively to their organisation by mentoring and empowering them.

Bernard M. Bass (1985) furthered this concept by mentioning four primary factors that a transformational leader should have: Charisma (idealised influence), inspirational motivation, intellectual stimulation, and individualized consideration.

Charisma (Idealised Influence): A transformational leader has a huge influence on people who follow him and this is achieved through her/his ideal behaviour at all times.

Inspirational Motivation: Inspirational motivation is the ability of a transformative leader to inspire and excite followers to go above and beyond to achieve the desired goals and do the right things.

Intellectual Stimulation: The ability of the transformative leader to raise awareness of problems and solutions is referred to as intellectual stimulation. S/He stimulate the followers intellectually to envision newer and better future.

Individualized Consideration: Individualized Consideration suggests that the transformational leader acknowledges differences in subordinates' skills, competencies, and desires for growth opportunities. The degree to which the leader exhibits real care in the followers is an important aspect of individualized attention.

In nutshell, transformational leaders cultivate reciprocal connections with their followers that are based on trust and individual consideration. They are visionary leaders who are values-driven and inspiring, intellectually stimulating, and change agents. Transformational leaders are more commonly referred to as change agents who stimulate and direct staff to embrace new set of behaviour. These leaders are dissatisfied with the present situation and push their organizations to always change for better. They nudge their organizations toward a new state, perception or work culture by generating dissatisfaction with the current. They are always monitoring the outside world for new opportunities, projecting changes in fields and technology, and searching for ways to keep their organisation in sync with the outside world. They transform the follower's viewpoint on the challenges by assisting them in viewing old problems in fresh light.

3A.3.3 Transactional Approach to Leadership:

Transactional approach to leadership has emerged as a contrasting with transformational approach leadership. Transactional leadership is marked by the leader's inclination to exert control over followers' behaviour and to engage in corrective interactions for the resolution of issues. For this, the follower will grant authority to the leader. Transactional leaders gain influence over their subordinates by offering rewards in exchange for his

obedience. It is also comparable to bartering because it entails a simple interaction of interests- I will take care of your interests if mine are being taken care of.

Transactional leadership is characterized by simply the exchange of interests between the leader and the followers. Thus, transactional leaders focus on the needs of their followers and build a relationship with them based on satisfying those needs. In many ways, transactional leadership symbolizes the typical interaction between employer and staff which is just based on of rewards and punishment mechanism. Consider the very basic relationship between an employer and the employee/s as an example. Employees will work in exchange for a payment and will obey the superior's directions and rules as long as their needs are satisfied. Here both are aware of the other's power and resources. Their respective interests are intertwined and thus the relationship is established. The relationship, however, does not extend beyond the transaction.

The key distinction between transformational and transactional leadership is that only the former involves the empowerment of followers. Thus, transformational leaders may influence not only their followers' actions but also their values, expectations, and motivation, whereas transactional leaders can only influence their followers' behaviour. More notably, transformational and charismatic leaders can persuade subordinates to think beyond their personal interests and act in the best interests of the entire group, whereas transactional leaders build their influence on the followers' personal interests. A crucial point is that in transactional leadership, a leader utilizes rewards and punishment to motivate followers to perform their duties, whereas a transformational leader uses charisma to attract followers and gain some respect. Problem identification and resolution begin in transformative leadership long before the problem develops. The leader anticipates the problem and takes appropriate efforts to resolve it. The leader in transactional leadership reacts after the problem has surfaced.

3A.3.4 Psychodynamic Approach to Leadership:

The Psychodynamic approach to leadership is based on basic psychoanalytic principles and Freudian research .Freud’s theories served as the foundation for further understandings of the underlying reasons and motives that drive human behavior. Freud’s psychoanalytical theories were later adopted, further built upon, to develop psychodynamic approach. Abraham Zalenick (1977), a management professor at Harvard, and a group of young scholars were early proponents of the psychodynamic approach.

The psychodynamic approach to leadership explores the dynamics of human behaviour, which are often the most difficult to comprehend. It emphasizes that humans are complicated, unique, and paradoxical entities owing to their rich and diverse set of motivational factors and interaction patterns. Here are some key concepts and basic ideas within the Psychodynamic approach relating to leadership and organisation study:

- It lay emphasis on focusing on the 'inner theatre'. Many of our feelings, fears, motives, lie in our subconscious or inner self. Humans are not always consciously aware of the things that drive our personality and actions, but they do have a major effect on our reactions and relationships. When one focuses on understanding motivation behind human behaviour, identifying key relationship conflicts, he can align these inner motives to more productive interpersonal relationships.

- Humans are all the outcome of their previous experiences. Human personality is formed by the experiences, which are most influential in the early phases of their lives. These early experiences shape our responses to others and contribute to the development of many relationships.

- Human emotions influence how individuals feel about different situations and how they mentally organize them. The ability to regulate and express our emotions is fundamental to who and what we are.

- An implicit concept is that individual's personality traits are firmly embedded and almost difficult to modify. The idea is to accept one's own personality traits, as well as to understand and accept the traits of others.

Psychodynamic approach is based on the premise that by studying what influences a person's behaviour, a better understanding of how he or she functions and why they react or act in specific ways can be gained, and then using that knowledge to become better leaders and followers. Functionally, the psychodynamic approach stresses leaders gaining insights into their personality traits and understanding the responses of colleagues / followers based on their personalities. At the same time, leaders encourage colleagues/followers to obtain insights into their own personalities so that they can learn to understand their reactions to the leader and others.

The Psychodynamic Approach is significant for leadership in an organization for following reasons. Firstly, if a leader is effectively introspective and understands their personality traits and inner drives, they will be in sync with their emotional responses and will be able to direct their actions toward their team accordingly. Secondly, if they are more aware of their followers' emotional responses and pattern behaviors, they may be able to adapt their leadership style to them and better lead them toward goal achievement. Further, the psychodynamic approach adds an important dimension to leadership by addressing our prior experiences, subconsciousness, feelings, self-understanding, and personality types.The strategy works because people become aware of each other's personalities, and so the differences are brought to light so that they may be discussed.

This approach has been criticized as it does not take into account organizational factors, rather it focuses only on leaders' personality and leadership style. Structural and organizational issues are overlooked in this

approach. Other criticism is that it does not accommodate itself to conventional idea of training, as it focuses on increasing individual's self-awareness. It varies from individual to individual hence it is difficult to provide specific guidelines or standard solution for systematic change.

3A.3.5 Charismatic Approach to Leadership:

Charisma is a Greek term that refers to "divinely inspired ability." According to sociologist Max Weber (1947), "charisma is a kind of influence that is based on the follower's perception that the leader possesses outstanding qualities, rather than the influencing someone with authority of position or tradition". Charismatic leadership is primarily an attribution of the followers. Followers attribute certain charismatic qualities to a leader based on their observations of the leader's behavior.

Charismatic approach to leadership is characterized by visionary leaders who are capable of motivating their followers, inspiring optimism, challenge the status quo, and serve as positive role models. It is also distinguished by great communication abilities. The concept of charismatic leadership is based on the psychoanalytic concept of personal identification. It is the process by which a person's beliefs about another person esp. the leader become self-defining or self-referential. Basically, it refers to the followers identifying with leaders and desiring to be like that person.

Warren Bennis (1989), after studying ninety of the most effective leaders in the United States, discovered that:

- Charismatic leaders were visionary in character,
- They had a clear vision or sense of purpose,
- They were able to express that vision in clear words that their followers could easily identify with,
- They displayed constancy and dedication in the pursuit of their vision, and
- They recognized and capitalized on their own strengths.

Thus, charismatic leaders would portray themselves as role models for their followers, who would then imitate and accept the leaders' views, beliefs, and behaviours. The extent to which a leader is charismatic is determined by followers' trust in the correctness of the leader's beliefs and the commonality of followers' beliefs to those of the leader. Further it is ascertained by followers' unquestioning acceptance of the leader and their willing obedience to the leader. Finally, it is defined by their identification with the goals of the organisation and greatly increased performance level.

Although there is general agreement on the benefits of charismatic leadership for both the organisation and the individual, it is criticized for the over dependence of followers on leader. Identification with the leader results in a high level of reliance on the leader by subordinates.In the

extreme case of the leader's departure, the followers may experience a crisis, acute feelings of grief, and severe orientation problems.

3A.3.6 Social Approach to Leadership:

Leadership has always been viewed as behaviour or style of a specific individual. The central assumption is that leadership is individualized and mostly top-down approach, with the leader exerting influence over followers. In contrast to this assumption, some scholars defined leadership as an extremely complicated phenomenon involving a large number of people and their activities, behaviours, and interactions. The social approach to leadership prominently stresses that it is a process of shared influence wherein an individual's action is no more significant than leadership as a social process.

The framework for social leadership was actually constructed some time ago, with the emergence of social identity theory. The importance of group dynamics in understanding individual and group behaviour is emphasized by social identity theory. Personal identity describes an individual's perception of oneself as unique and different from other persons in a specific circumstance. Alternatively, social identity refers to an individual's awareness that he or she belongs to particular social group is now a part of the emotional worth and significance of this group membership. In simple words, social identity refers to an individual's sense of belonging to a group.

Michael A. Hogg in his article "A social identity theory of leadership," describes the term "in group proto typicality", here the term prototype means someone or something that serves to illustrate the typical qualities. As people identify more strongly with a group, they pay closer attention to the group prototype and identify what or who is most prototypical of the group. As a result, the most prototypical member of the group is most likely to become a leader. He viewed leadership as group process generated by social categorization and prototype-based depersonalization processes associated with social identity.

Some dimensions of leadership development can be explained by social identity theory. According to this viewpoint, leadership emergence is the degree to which an individual fits with the identity of the group as a whole. A group prototype emerges as a group evolves through time. Leadership, according to the social identity approach, is a function of the group rather than the individual. Individuals emerge as group leaders when they resemble the group prototype the most. They are more socially appealing, making it easier for group members to accept their authority and follow their decisions. Finally, group members assign leadership attributes to the person rather than the situation, further distinguishing the leader from the rest of the group by considering him or her as special. The leader, who maintains attitudes and behaviours congruent with the prototype, will be successful.

The social identity theory examines how groups perceive themselves and the issues they consider crucial. The main premise of the theory is that leaders can be identified by a specific social group rather than by the

leader himself. This gives the leader the authority to approve the group's agenda and accomplish a result by responding to the needs of the group.

This theory has been criticized as individuals can manipulate their own leadership status in groups by showing themselves as prototypical to the group, they may not identify themselves with group in reality. Further, it substitutes individualism with social identity and trivialises the significance of self-esteem.

There are various approaches of thinking about leadership, varying from emphasizing the personality traits of exceptional leaders to stressing aspects of the circumstances that influence how people lead. Leadership, like many other concepts, is a multifaceted subject, and it is a combination of various aspects that contribute to why some people become excellent leaders.

3A.4 LET US SUM UP

In order to address the challenges of the twenty-first century, knowledge and skill empowerment has become a must. Both can only be obtained through quality education. Effective educational leadership is at the top of the list of requirements for ensuring quality education. As a result, education leadership is and will be critical in the twenty-first century and subsequent centuries. Learning can be considerably enhanced if the leader fosters organisational climate that will help effective learning. Thus, strong educational leaders, who are well-versed in leadership roles and styles at the same time and are able to remodel the existing system in favour of a more learning-centered system, is better suited to meeting the needs of the twenty-first century.

3A.5 UNIT END EXERCISES

1. Explain the concept of leadership. Enumerate the characteristics of leadership.
2. "Managers provide structure and frameworks for operations, but leaders inspire." Justify the statement with references to difference between a leader and a manager.
3. What are the different requisites to become effective and successful leader? Elaborate the qualities that you would like to develop in yourself to become a good leader.
4. Discuss in detail the social approach to leadership.
5. What is a democratic leadership style? What is the role of leader in fostering democratic leadership in an organisation?
6. Differentiate between a Leader and a Manager.
7. Which are the essential qualities a leader should possess to be effective and successful?
8. Describe the Psychodynamic approach to leadership.
9. What is transformational leadership? Why transformation leadership seems to be more effective than transactional leadership?

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3B

LEADERSHIP IN EDUCATION-II

Unit Structure :

3B.0 Learning Outcomes

3B.1 Introduction

3B.2 Theory and Practice

3B.2.1 Blake and Mouton's Managerial Grid,

3B.2.2 Fiedler's Contingency Model,

3B.2.3 Hersey and Blanchard's Model,

3B.2.4 Goleman's Leadership Styles:

3B.3 Ethical and Inclusive Leadership in Education

3B.3.1 Characteristics of a leader for promoting Ethics (promoting fairness, equity, and accountability and inclusion in leadership practices)

3B.3.2 Building and sustaining relationships with stakeholders (teachers, students, parents, and community)

3B.4 Let Us Sum Up

3B.5 Unit End Exercise

3B.6 References

3B.0 LEARNING OUTCOMES

After reading this unit, the student will be able to:

- Compare Fiedler's Contingency Model of fixed leadership style with Hersey and Blanchard's model of situational leadership
- Examine various leadership styles as given by Goleman
- Discuss the characteristics of an ethical and inclusive leader.

3B.1 INTRODUCTION

The foundation of effective leadership in education is both theoretical knowledge and real-world implementation. To describe how leaders affect people and organizations, especially in dynamic and diverse educational environments, a number of leadership models have been developed. Leaders in education must promote inclusive practices while upholding

the principles of justice, equity, and accountability. To establish a cooperative and encouraging learning environment, they must also place a high priority on establishing and maintaining deep connections with all relevant parties, including parents, instructors, students, and the larger community. The relationship between leadership theories and the practical ethical obligations of educational leaders is examined in this chapter.

3B.2 THEORY AND PRACTICE

3B.2.1 Blake and Mouton's Managerial Grid

Leadership models are frameworks designed to guide leaders in understanding and refining their effectiveness in various organizational settings. Robert Blake and Jane Mouton created the basic leadership paradigm known as Blake and Mouton's Managerial Grid in 1964. American management theorist Robert R. Blake was a pioneer in the field of organisational dynamics. Jane S. Mouton was a management theorist as well. In the 1950s and 1960s, Blake and Mouton both concentrated on the human aspect of business leadership. In the process of enhancing successful leadership at Exxon, they discovered that managerial behaviour followed a continuum and operated on axes, such as concern for people and production. They developed the Managerial Grid theory and leadership style model in response to this observation. The model was originally published as *The Managerial Grid: The Key to Leadership Excellence*.

Dimensions of the Managerial Grid

The Managerial Grid is a behavioral model that offers a framework for comprehending leadership styles. It is a self-assessment tool that helps people and organisations determine the style of a leader. Organisational behaviour research and leadership development programs frequently use this model to evaluate and enhance management efficacy.

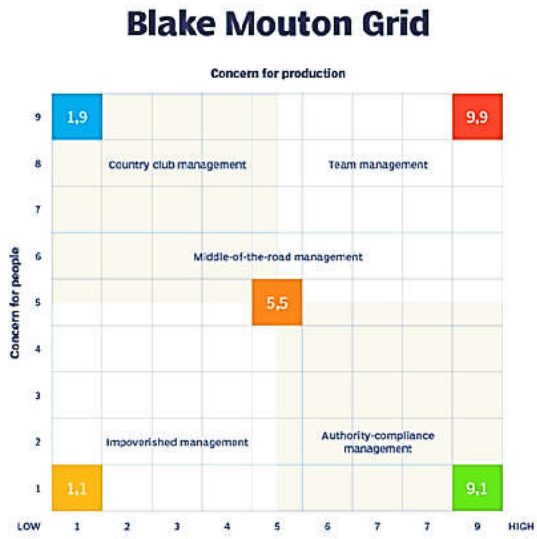
This framework offers an organised method for comprehending and classifying leadership styles according to two main criteria: concern for production and Concern for people. Using a two-dimensional framework, the Managerial Grid assesses leadership styles by assigning values from 1 (low) to 9 (high) on two axes:

- **Concern for People (relationship-oriented):** Concern for people is the vertical axis. This dimension shows how much a leader values the growth, happiness, and well-being of their team members.

- **Concern for Production (task-oriented):** Production is the horizontal axis. This dimension assesses how much importance a leader focusses on completing deadlines, sustaining production, and accomplishing organisational goals.

The Blake and Mouton Managerial Grid model demonstrates how much a manager or leader prioritises people, production, or both. Each axis in the grid's 9x9 matrix representation ranges from 1 (low concern) to 9 (high

concern). A leader's style is determined by the confluence of these two aspects.



Retrieved from: https://www.techtarget.com/searchcio/definition/managerial-grid-model-The-Blake-and-Mouton-Managerial-Grid-model

Consequently, five distinct types of leadership styles emerge, each of which reflects a unique combination of both of these concerns. The model highlights that in order to attain the best organisational results, effective leadership entails striking a balance between the two aspects.

Leadership Styles:

Blake and Mouton identified five leadership types, which include:

1. **Impoverished Management**: Impoverished management is a leadership style characterized by a low concern for both people and production. It is positioned at the (1,1) on Blake and Mouton's Managerial Grid, indicating minimal effort or interest in either. This style typically takes little notice of employees' needs and cannot encourage a productive environment. It also lacks focus on achieving organizational goals or improving productivity, often not setting clear objectives or prioritizing tasks effectively.

2. Impoverished management can lead to dissatisfaction and low morale, poor organizational performance, and conflict and chaos in workplaces. Practically, it can be expressed through leaders who are evasive, lack initiative, and are more concerned with avoiding blame than enhancing team performance. To overcome impoverished management, leaders can enhance their people skills through training or coaching, establish clear goals and priorities, and adopt more effective leadership styles like team management, which ensures concern for people and production equally.

3. **Country Club Management**: Country Club Management is a leadership style style with an emphasis on employee well-being and

morale, focusing on building strong interpersonal relationships and ensuring employee contentment. Represented as the (1,9) style on Blake and Mouton's Managerial Grid, it reflects a high concern for employee satisfaction but minimal focus on achieving results, assuming that happy employees will automatically translate into improved results. The consequences of Country Club Management include positive employee relations, low productivity, and absence of direction.

4. This approach often leads to a relaxed and amiable work environment, which can boost morale but might lead to low productivity and a lack of clear direction. Leaders who adopt this style tend to prioritize harmony and trust employees to manage themselves. To overcome its shortcomings, leaders can create concrete goals, provide direction and feedback, and adopt a balanced style such as Team Management to maximize both employee well-being and organizational success.

5. **Produce-or-perish Management**: The Produce-or-perish Management style, positioned at (9,1) on the Leadership Grid, emphasizes productivity over employee well-being. It is usually linked with authoritarian or autocratic leadership. This style prioritizes meeting organizational goals and achieving high productivity, usually by employing strict rules and policies to ensure tasks are accomplished competently.

   However, it prioritizes production over people, leading to a lack of motivation, high stress levels, and increased turnover.While this style can drive high production levels and enable quick decision-making, particularly in crisis situations, it often leads to negative outcomes such as low employee engagement, increased stress, and high burnout. The long-term sustainability of this approach is questionable, as it can hinder efforts to retain talented employees and create a positive work environment. For instance, a manufacturing plant manager using this style to meet urgent deadlines may achieve short-term goals but risk burnout and reduced productivity over time. To ensure lasting success, leaders should strive to balance production demands with employee well-being.

6. **Middle-of-the-Road Management:** Middle-of-the-Road Management is a leadership style that seeks to balance the interests of employees with the demands of the organization. It is represented by the (5,5) on the Managerial Grid, indicating a balanced but moderate approach to both dimensions. This style is characterized by a moderate concern for people, seeking to have a good work environment but not at the expense of organizational objectives.

   Leaders adopting this style strive to maintain a positive work environment without compromising organizational goals, yet they may not push for exceptional performance. As a result, this style often leads to moderate satisfaction and performance as well as lack of excellence

and a apparent indecisiveness. It tends to move towards a tendency to preserve the status quo and conflict avoidance. To address these limitations, leaders can set ambitious goals, adopt a strategic focus, and leverage their strengths in either people management or production. In this way, they can shift to more productive styles such as Team Management, which emphasizes high concern for people and productivity to obtain optimal results.

7. **Team Management:** Team Management, placed at (9,9) on the Blake Mouton Managerial Grid, is a leadership style that emphasizes employee satisfaction, well-being, and development while retaining a significant orientation towards getting work done in the organization with utmost efficiency. This approach encourages active employee participation in decision-making as well as bringing ownership and responsibility among team members. It provides multiple advantages in terms of having highly engaged employees, increased productivity and healthy team dynamics. By motivating employees to perform at their best, this style contributes to increased job satisfaction and reduced turnover. The collaborative environment also nurtures creativity and innovation, leading to better outcomes.

   Team Management is particularly effective in organizations that require high levels of collaboration and innovation, like technology firms Google and Microsoft. Unlike the Produce or Perish Management style, which prioritizes production at the cost of employee well-being, Team Management strikes a balance by ensuring employees are motivated to contribute their best efforts willingly. However, implementing this approach can be challenging in settings where employees are inexperienced or lack the maturity to manage autonomy effectively. Additionally, while involving stakeholders in decision-making improves decision quality, it can also be time-consuming.

To sum up, Team Management is the ideal leadership style according to the Blake Mouton Grid, since it harmoniously balances concern for people and production, optimizing the potential of employees and delivering exceptional organizational results.

Practical Application of the Blake Mouton Grid:

An effective tool for organisational development, the Blake Mouton Grid assists leaders in evaluating their management style and outlining areas in which they need to improve. Widely adopted by companies such as Sears, Boeing, and Nike, it aids in creating balanced environments that prioritize both employee satisfaction and productivity. By guiding managers in evaluating their leadership approach, the grid facilitates staff contentment and optimizes organizational performance. In practical applications, it is also a self-assessment tool that allows leaders to recognize their strengths and weaknesses effectively. It also enhances team dynamics by fostering better collaboration and morale. Additionally, the grid aids organizational strategy by assisting in the selection of leaders who align with company

goals and values. For instance, an institute may benefit from leaders with a Team Management style to encourage innovation and teamwork. The Blake Mouton Grid offers a clear visual framework for understanding leadership styles, emphasizing the balance between concern for people and production.

Criticism:

The Managerial Grid is a useful framework for understanding leadership styles, but it does have certain limitations. One key drawback is its simplistic nature, as it does not consider situational variables that have a huge impact on the effectiveness of leadership. Additionally, the model assumes that leadership styles are static or fixed, while in fact, effective leaders may have to be flexible and adapt to changing situations. Another limitation is that the model is mostly theoretical and has not received much empirical support. In addition, by compressing multifaceted leadership concept into two dimensions, the Managerial Grid can overlook other vital considerations that influence leadership success.

Despite these limitations, the Blake and Mouton's Managerial Grid remains a valuable tool for leaders seeking to enhance their management style by understanding the interplay between concern for people and production. y working to improve their style to develop better teams, increase productivity, and maximize overall organizational performance, the model continues to be relevant across industries and is instrumental in shaping effective leadership behaviors.

3B.2.2 Fiedler's Contingency Model

A crucial aspect of efficient organisational management is leadership. For the purpose of comprehending and enhancing leadership effectiveness, several models have been established. Among them, two well-known models that stress the significance of tailoring leadership approaches to particular contexts and circumstances are Fiedler's Contingency Model and Hersey and Blanchard's Situational Leadership Model.

Fiedler's Contingency Model was developed by Austrian scientist psychologist Fred Fiedler. The renowned Fiedler contingency model and the contingency modelling of leadership were first introduced by Fiedler in 1967. It is a leadership theory that emphasizes the importance of matching a leader's style to the specific situation. It asserts that no single leadership style is always effective, making it one of the earliest situational theories of leadership. Rather, successful leadership depends on how well the leader's style matches the favourability of the situation. According to Fiedler, the leadership style is fixed. Person cannot alter the style to suit the situation. Instead, place leaders in situations corresponding to their style.

Fiedler's model is a model of leadership which recognizes a suitable leadership style in a specific context. It relies on a combination of two forces: Leadership style – based on two distinct methods and Situational favourableness – based on characteristics within the workplace.

Leadership Styles:

Fiedler categorizes leaders into two main types:

- **Relationship oriented leaders:** Such leaders focus on interpersonal connections and perform well in moderately favorable situations requiring team cohesion and morale-building. A relationship-oriented leader typically holds favorable opinions about their co-workers. This type of leader emphasizes personal connections and demonstrates strength in avoiding and managing conflict.

- **Task oriented leaders:** Task-oriented leaders focus more on the accomplishment of the task and function best in highly favorable or highly unfavorable situations in which direction and control are critical.

Fiedler classified two primary leadership styles using the **Least Preferred Co-worker (LPC) Scale**. The LPC scale asks the respondent to rate his or her feelings towards the individual they disliked working with most. This scale assesses 16 factors. The respondent has to score these feelings on a scale of one to eight and then add up the total score. A high score (73 and above) means that the person is a relationship-oriented leader, while a low score (54 and below) means a task-oriented leader. Those scoring in the middle range (55-72) have traits of both styles and must determine which style is more in line with their leadership tendencies.

Least Preferred Co-worker (LPC) Scale

Pleasant	8	7	6	5	4	3	2	1	Unpleasant
Friendly	8	7	6	5	4	3	2	1	Unfriendly
Rejecting	8	7	6	5	4	3	2	1	Accepting
Tense	8	7	6	5	4	3	2	1	Relaxed
Cold	8	7	6	5	4	3	2	1	Warm
Supportive	8	7	6	5	4	3	2	1	Hostile
Boring	8	7	6	5	4	3	2	1	Interesting
Quarrelsome	8	7	6	5	4	3	2	1	Harmonious
Gloomy	8	7	6	5	4	3	2	1	Cheerful
Open	8	7	6	5	4	3	2	1	Closed
Backbiting	8	7	6	5	4	3	2	1	Loyal
Untrustworthy	8	7	6	5	4	3	2	1	Trustworthy
Considerate	8	7	6	5	4	3	2	1	Inconsiderate
Nasty	8	7	6	5	4	3	2	1	Nice
Agreeable	8	7	6	5	4	3	2	1	Disagreeable
Insincere	8	7	6	5	4	3	2	1	Sincere
Kind	8	7	6	5	4	3	2	1	Unkind

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According to Fiedler, task-oriented leaders are more effective in highly favorable or highly unfavorable situations, while relationship-oriented leaders excel in moderately favorable situations. The model can be

represented graphically as a matrix where leadership effectiveness is against situational favorableness. Task-oriented and relationship-oriented styles of leadership are paired with varying levels of favorableness.

Situational Favorableness/control:

Situational favorableness is a term that describes how positive a work setting is for a team leader. Situational control can be changed by three factors: how you relate to your team, how tasks are given and the power of your position. Here are the elements:

- **Leader-Member Relations**: The primary focus of leader-member relations is the level of trust and confidence that exists between a leader and their team. Greater influence and trust inside the group puts a leader in a stronger position to lead the team.
- **Task Structure:** Task structure describes the assigned tasks and clarity with which they have been communicated to the team. Clearly defined tasks improve situational control by fostering trust and improving outcome prediction.
- **Position Power**: Position power is the extent to which a leader has authority over their subordinates. The leader will be better placed to lead the team through rewards and penalties if he/she has a significant level of authority.

Practical Application of Fiedler's model

Fiedler's model has practical applications in both the selection and development of leadership. The model can be used by organizations to identify leaders whose leadership styles are most suitable for a given situation. For instance, a task-oriented leader may be ideal for managing a crisis requiring decisive action, while a relationship-oriented leader may be better suited for fostering team dynamics in less structured environments. The model also enables leaders to identify their strengths and build strategies to improve their ability to fit into new situations.

Despite its insights, the model has faced **criticism** for assuming that leadership style is fixed and does not account for the possibility of leaders adapting their style. The model fails to capture that individuals can learn and adapt. Furthermore, In addition, it does not entirely consider other factors that influence, such as organizational culture or external environmental conditions.

3B.2.3 Hersey and Blanchard's Model

The Situational Leadership Model was created by Dr. Paul Hersey, a professor and author of the book *The Situational Leader*, and Ken Blanchard, the author of the *One-Minute Manager*. Paul Hersey and Ken Blanchard developed the Situational Leadership Model while writing their great leadership book, Management of Organisational Behaviour, in 1969. It emphasizes the need to adjust the leader's style based on the competence and preparedness of their members. This theory underscores the

importance of integrating varying approaches to leadership with the different developmental stages of team members. Leaders can adjust their leadership styles to facilitate professional development in their subordinates as evaluated from the perspective of their level of competence and experience. By analyzing the competence and experience of each subordinate, leaders can employ different methods of leadership aimed at fostering the professional growth of the employees. This results in a succession of leadership styles which increasingly evolve in accordance with the professional development of the employee.

Leadership Styles

Hersey and Blanchard define two dimensions of leadership behaviour: task (directive) and relationship (supportive). They are categorized into four broad classes of leadership behaviour:

- **S1(Telling / Directing)**
  This style is highly directive with little supportive behavior. This style is very directive with little supportive behavior. The leader gives specific instructions, closely monitors tasks, and makes employees adhere to specific guidelines. At the S1 level, followers do not have the capability and willingness to get their work done, and leaders need to specify their roles and make sure they acquire the basic skills to succeed. Therefore, this style is best suited for low-skilled team members with little experience (R1), who do not have the capability and confidence to get their work done on their own.

- **S2(Selling / Coaching)**
  This style balances strong direction with supportive behavior. Leaders provide guidance while encouraging team involvement. Here the leader explains decisions and provides guidance. Suitable for moderate maturity teams. It suits employees with some skills but who still require coaching to build competence and confidence (R2). Leaders still control but also actively support and involve the team members in the process. Ultimately, this results in followers who are able to own responsibility for their work.

- **S3(Participating)**
  This collaborative approach focuses more on relationship-building than on task direction. Leaders involve employees in decision-making and encourage conversation. The S3 style has its primary focus on assisting followers and less on direction provision. At the S3 stage, the follower has already developed the necessary skills to complete their tasks. This style is suitable for competent employees who lack motivation or self-confidence (R3). The role of a leader here is to motivate, give feedback, and establish trust.

- **S4 (Delegating)**
  This hands-off approach is characterised by minimal direction and support as well as giving experienced and competent team members (R4) the autonomy to perform their duties on their own. The leader

entrusts responsibilities to experienced team members with minimal supervision. Leaders only intervene when absolutely necessary, leaving team members to work efficiently.

Follower Readiness Levels / Maturity

Hersey and Blanchard's model underlines matching leadership style with follower readiness, which is determined by their capability and willingness to execute tasks. The maturity of a team member is measured in terms of experience, autonomy, capability, confidence, and readiness to assume responsibilities. When situational leadership strategies are synchronized with the employees' respective Performance Readiness levels, they prove to be most effective. The readiness levels are:

- **R1 (Unable and Insecure/Unwilling):** Employees are not skilled or confident enough to finish work. R1 employees are unable to complete their tasks because they lack the proper skills to succeed. They are also unmotivated and lack confidence in their abilities. The "Telling" (S1) style is most suitable here.

- **R2 (Unable but Confident/Willing):** These employees possess some skills but require guidance. R2 employees struggle to complete their tasks, often due to a lack of sufficient knowledge and experience. They are yet willing to attempt and accomplish the current task nonetheless. It is a good example of new employees who are driven to succeed yet lack the necessary skills and knowledge. The "Selling" (S2) style is recommended to support and build competence.

- **R3 (Able but Insecure/Unwilling):** Employees possess the required skills but lack motivation or confidence. The "Participating" (S3) style is ideal to foster engagement and involvement. R3 employees are capable and experienced enough to finish their tasks, yet they will not do it. It can be attributed to either a lack of motivation to follow their leader's instructions or a lack of confidence in their own abilities.

- **R4 (Able, Confident, and Secure):** The R4 employees have the highest level of capacity and can complete tasks while also taking responsibility for their work. These experienced and self-reliant employees are comfortable with the "Delegating" (S4) style, where they can work independently.

Practical Applications

The Situational Leadership Model offers practical applications for both employee development and team management. Leaders can use this model to customise their style based on an employee's developmental stage. For instance, a new employee (R1) may require a "Telling" style to build foundational skills, while an experienced employee (R4) may flourish with a "Delegating" style, promoting independence. By adapting their leadership style, managers can create a supportive and flexible work environment that encourages growth and engagement.

In a school setting, a new teacher with minimal experience (R1) may need a "Telling" leadership style where clear instructions and guidance are provided. Conversely, a senior faculty member (R4) with extensive experience may excel under a "Delegating" style, where they are empowered to make decisions independently.

Criticisms

Despite the Hersey-Blanchard model's high reputation among experts, it still has practical implementation challenges. Because it relies heavily on individual members within a team, implementing it in mixed-ability groups can be difficult. Moreover, the model supposes that leaders are able to measure an employee's readiness accurately, which is not always possible. External factors, such as organizational constraints or changing work force, are also ignored in this model.

In contrast to Fiedler's Contingency Model, which calls for the application of a specific leadership style to situational conditions, Hersey and Blanchard's model is more flexible because it permits leaders to change their approach based on follower readiness. Such flexibility renders the Situational Leadership Model a useful tool for enhancing team performance in fast-paced organizational settings.

3B.2.4 Goleman's Leadership Styles:

Leadership style is the manner and approach of providing direction, implementing plans and motivating people. Daniel Goleman's six leadership styles, along with Richard Boyatzis and Annie McKee, were first published in their book "Primal Leadership: Realizing the Power of Emotional Intelligence " in 2002. According to the Goleman Leadership Styles framework (2002), leaders are required to deal with a changing environment at the workplace and need to have ability to deal it efficiently. This entire framework relies solely on emotional intelligence. It considers emotional intelligence as one of the first and single most important parts of leadership. To lead, a leader must understand the emotional sides of different aspects as well as the emotions of the followers. There must be some basic rapport and emotional understanding for the followers to understand and trust the leader as well.

The other term that is required to understand Goleman Leadership Styles model, is ‘resonant leader’. A resonant leader instils pleasant and energetic emotions in others and brings them into emotional harmony. When resonant leadership is implemented well in a team, it results in emotional satisfaction, collaboration, co - creation, and strong emotional connection that help the team get through difficult times. On the contrary, Dissonant leadership can result in an unpleasant feeling, a lack of rapport, stress, and even panic. This could result in more people restraining from speaking up because they are afraid of outbursts or repercussions from the leader or other members. Each style affects people differently on an emotional level and has its strengths and weaknesses in different situations. He categorizes the six leadership types based on emotional intelligence into two groups:

i. Affiliative leadership, Coaching leadership, Democratic leadership, and Authoritative/Visionary leadership are examples of leadership styles that build resonance and improve performance.
ii. Pacesetting leadership and commanding leadership styles, when utilized improperly, cause dissonance

The six leadership styles based on Daniel Goleman's Emotional Intelligence are believed to be the most practical and effective set of leadership styles. Daniel Goleman (2002) describes all the six styles briefly, “Coercive leaders demand immediate compliance. Authoritative leaders mobilize people toward a vision. Affiliative leaders create emotional bonds and harmony. Democratic leaders build consensus through participation. Pacesetting leaders expect excellence and self-direction. And coaching leaders develop people for the future.” These six leadership styles are discussed below.

1. The Pacesetting Leader

Pacesetting leadership, as the term suggests, focuses on the leader setting the pace for the organisation by using a "Do it as I do” approach. Pacesetting leadership occurs when a leader sets an example of high performance, pace, and excellence. Team members are expected to follow suit, and the pacesetter places an emphasis on performance above everything else. As a result, the leader believes it is appropriate to either rush in and take over the work from an employee who is underperforming or terminate that employee for incompetence.

A pacesetting leader is exceptionally self-motivated. This leader is driven by a strong desire to achieve and sets high performance and perfection standards. At the same time, this leader takes significant initiative to get things done as quickly as feasible. Such leaders understand the significance of leading by example and holding their team to high standards and are trend-setters. A successful pacesetter understands the significance of clearly communicated requirements. A pacesetting leader demonstrates and reiterates why delays and disappointments should be avoided. Some of the famous sports leaders portrays pacesetting leadership style.

Pacesetting leadership is ideal for attaining short-term, time-sensitive organizational goals due to strict deadlines and an emphasis on high-quality output. As the leader is able to discover the strongest competencies of team members and use them to build the employee's work performance. Pacesetting leadership shines the best when surrounded by a highly talented and experienced team. It is the best type of leadership to apply when the leader needs to establish a high-performance standard, team morale is weak, and belief in success is low.

This leadership style may be effective in the short term, but it may be damaging to staff engagement and motivation in the long run. Inability to meet strict deadlines can create stress among team members with low self-esteem and a sense of inadequacy. A team lead by pace setting leader may face trust issue with leader as the leader feels its appropriate to terminate

who is inadequate rather than improving them with guidance. As pacesetting leadership is results-oriented with focus only on consistently high levels of performance, there is less scope for creativity and invention. As a result, work becomes increasingly short-sighted, monotonous, and tedious. At the same time, there is no emphasis on building relationships or team morale. Some of the drawbacks of pacesetting are substantial, and therefore it is essential to balance it with Goleman's other five leadership styles.

2. Authoritative Leader

The authoritative leadership style is referred to as "visionary" leadership sometimes. Goleman defines visionary leadership as “the ability to take charge and inspire with a compelling vision”. An authoritative/visionary leader sees the big picture and determines a long-term vision for the organisation. When an authoritative leadership style is used, the long-term vision is adequately articulated and clarified to the members of the organisation. This style is built on participation, communication, and goal setting.

An authoritative leader communicates and promotes the vision in such a way that members of the organisation are inspired and understand how they will benefit from its implementation. Each team member has a clear idea of the overall vision to be achieved. Such leaders are proactive and can often foresee challenges. Authoritative leaders are not hesitant to take risks that will bring the organisation closer to its true vision. They inspire unity and acknowledges employee’s achievement. Authoritative leaders offer their teams a general direction and aim to attain, but they are free to achieve that goal in any preferred manner.

This leadership style works best when a leader has to take charge and inspire a significant shift in vision. The authoritative style is most effective when a new vision or clear direction is needed, e.g. when in a period of change – at an individual or organizational level. It thrives the best if leader asks individual perspectives on the vision without abandoning authority or compromising with the vision.

Although this is a good leadership style, it should not be overused. Too much of this might lead to a lack of focus on shorter-term objectives and operational processes. As a result, the organisation may suffer and the team may be unable to fulfil the vision. Another issue is, there is a concentration on the leader's vision, which leads to the dismissal of otherwise valuable ideas. It may lack an objective outlook on the need to either revise the vision or discard it altogether for something better.

3. Affiliative Leader

Affiliative leadership is more concerned with relationships and people. As signified by the term ‘affiliative- tending to promote social cohesion’, it is focused at ensuring harmony and friendship in the workplace. The affiliative leadership style fosters trust and harmony in the team, boosting teamwork to new heights. Because of the high level of trust and

communication, affiliative leadership style typically gives a great deal of flexibility in workplace which means that affiliative teams are more adaptable and can cope with changing circumstances better than many other teams. This leadership style incorporates a lot of feedback, acknowledgment, and rewards, which helps to foster team spirit and togetherness.

Affiliative leaders attempt to solve any problem by strengthening relationships and connecting with each team member on an emotional level. They seek to establish a pleasant work environment for their team members and are keen on offering recognition. While focusing on keeping all entire team happy, the affiliative leader develops good bond and relationships with and among teammates. This results in less stress and more autonomy for team members. Affiliative leaders are more likely to spend time with their staff to celebrate a thorough job. At the same time, the affiliative leader considers morality and values as their primary priority. Instead, affiliative leaders set an example of moral behaviour and expect others they work with to follow suit. This emphasis on morals also helps them in demonstrating empathy for their employees which other leadership styles usually lack.

Affiliative leaders can be very helpful when a team is in deep crisis. Furthermore, when trying to form team from the ground up, affiliative leadership is especially advantageous since it fosters trust and a sense of belonging, which can help to bind the team members together in a positive way. Positive communication is used by affiliate leaders to boost team morale and improve the rate of success.

Overuse of affiliative leadership, like the other styles, can have disastrous consequences. If a leader uses too much of this, s/he will lose sight of leadership role and instead become best friends with his followers. This may leave team members confused as they rarely receive actionable advice or correction and without guidance of a leader. In some case affiliative leadership can lead to a lack of accountability and productivity, because team harmony and friendship have taken precedence. Even leaders avoid taking tough decisions, or delays responding to conflicting situation, which may eventually do more harm to organisation. In contrast to the pacesetting leadership style, employee underperformance is commonly overlooked here, hence affiliative leadership may not work effectively when strict deadlines are to be met.

4. Coaching Leader

Coaching leadership, as implied by the name, is when a leader coaches team members to develop and improve with a long-term perspective. Coaching leadership was proposed by behavioural scientist Paul Hersey and management expert Ken Blanchard as part of their Situational Leadership Model, which they developed in 1969. Coaching leadership is later included in Daniel Goleman's leadership styles based on emotional intelligence. Coaching leadership may influence ordinary people to

perform extraordinary things in various fields like sports, trade, education, sales, or anything else.

Coaching leadership increases employee engagement and focuses on developing employees to become better individuals and professionals over time. This leadership style gives equal importance to accomplishment of task and developing interpersonal relationship with team members. Task focused behaviour is used by the leader to direct team members to perform specific tasks. However, the leader forms a supportive relationship with a team member, allowing the team member to acquire a sense of autonomy. In this manner, the leader both challenges and supports the team member, with the intention of guiding them toward self-development. This increases engagement, fosters partnerships, and improves the future productivity of the team member being coached. The coaching leadership style works best with a highly skilled leader and change-receptive team members.

Coaching leaders prioritize the personal growth of their team members over reaching work-related goals or sales targets. They work one-on-one with their staff to attain excellence, which works well for people who are willing to learn and grow. They intelligently use scaffolding and understand that their guidance should be gradually lessened so that each team member can develop a greater sense of autonomy. The coaching leadership style becomes long-term strategy for developing each team member. As a basic component of coaching leadership, coaching leaders employ constructive criticism and timely feedback for their growth. At the same time, coaching leaders need to understand the individual being coached on an emotional level in order to coach effectively. Empathy allows the leader to determine how to challenge and develop the individual, as well as know when to remove and increase pressure.

Coaching leadership can be time-consuming as it requires a lot of one-on-one time. It becomes too much demanding for leader as it requires much of their time, efforts and experience, but the reliasation of his efforts will take considerably a long-time span. The coaching leadership style will only succeed if team members are equally dedicated to the process. Coaching leaders can only work with employees who are committed to enhance their abilities in order to become better and more effective in their roles. It may not succeed, if team members do not make a significant commitment to self-development.

5. Coercive Leader

Coercive leadership, also known as "directive" or "commanding" leadership, is best used when a leader needs to solve a problem swiftly and effectively. Coercive leadership is an autocratic, ordering style in which the leader gives commands and those commands are carried out. The coercive leader makes all decisions and gives commands to his/her team without providing any explanation. The coercive leadership style is characterized by strong and tight control and follow-up, as well as great clarity in rules, roles, and expectations. Military leaders often use the

coercive leadership style. There is a reason this leadership is a popular leadership style in the military. The specific rules and standards provided by this leadership style allow for the development of a strong framework for ensuring safety and satisfying regulatory standards.

A coercive leader can achieve clarity and attain objectives by giving instructions and setting rules that define an employee's roles and responsibilities as well as by removing any impediments to task accomplishment. Furthermore, a coercive leader needs to understand each team member's competency as well as their strengths and weaknesses. This will enable the leader to assign duties to the appropriate team members depending on their skill levels Clarity of communication is a characteristic of coercive leadership. Everyone on the team understands what is expected of them for completing tasks successfully. They are also aware of the implications of failing to complete a task properly within the timeframe specified.

Coercive leadership can be effective, but only with low-skilled teams and during times of crisis when decisions must be made really fast. Coercive leadership is also beneficial for structuring inexperienced and unorganized team as leader’s experience, clarity of communication and set rules and regulation inexperienced team to perform well. Since this style of leadership generates high clarity and execution speed, it can lessen worries and panic in critical situations.

Outside of these circumstances, it swiftly leads to dissonance, employees may feel dominated, disrespected, manipulated, victimised, and generally unhappy and unproductive. This leadership may quickly descend to autocratic leadership if the leader is not conscious about it. In that case, coercive leadership is harmful for employee engagement, especially with high-skilled teams in complicated situations. Here, employee development is sacrificed for the sake of the organization's goals. Hence in long run, team morale decreases, and employee engagement may suffer. Further, as this leadership relies heavily on the experience of the leader, it fails if the leader is not sufficiently experienced.

6. Democratic Leader

Democratic leadership, also known as participative leadership, emerges when ideas are openly exchanged within a team and is based on democratic principles. Every team member has a valued voice and are encouraged to participate in decision-making just as much as the leader.Kurt Lewin, a behavioural psychologist who worked during1930s and1940s, is is credited with coining the term "democratic leadership" as part of his leadership experiments to examine leadership styles. Goleman's Six Leadership Styles also includes Democratic leadership, in contemporary times.

Democratic leadership style is a collective style of leadership that values the input of employees by empowering them. These leaders inspire group members to participate and contribute, making them feel more essential and dedicated to the decision-making process. The democratic leader is

required to facilitate free-flowing interactions in which each team member can express ideas and perspectives; hence her/his communication skills are essential. However, in democratic leadership, the leader retains the right to allow for the input of others before making the ultimate decision or approving the team's decision.

Democratic leaders promote flexibility and accountability by giving employees a voice in decisions that affect their goals and the way they accomplish their tasks. By listening to their employees' issues and concerns with open mind, democratic leaders learn what they need to do to maintain high morale. Democratic leaders provide the congenial work environment where there is ample scope for creativity and innovation. They facilitate high levels of participation from each member, which leads to high levels of employee engagement. Democratic Leadership places a great emphasis on people-oriented behaviour rather than task-oriented behaviour. But at the same time, for a democratic leader, the ability to prioritize the ideas and opinion which leads to the realistic approach of task accomplishment, is really vital.

Though the democratic style may seem like the perfect leadership style, it is not suitable style that can be used during crisis as its time consuming. It leads to endless meetings and postponement of crucial decisions as too many people are involved in decision making. When employees are not skilled or knowledgeable enough to provide meaningful advice, the democratic model does not make logical sense. Longer meetings to discuss everyone's points of view and find a consensus may result in a decrease in productivity. The benefits of democratic leadership far exceed the drawbacks, so consider utilizing this leadership style. There are various types of leadership based on the level of engagement that a leader seeks while making decisions, nevertheless, the participative or democratic style of leadership is most suited to educational leadership. This approach promotes participation from all stakeholders, including teachers, parents, and students. As viewpoints of all stakeholders are considered, the overall quality of student learning is improved.

The discussion of all leadership style encompasses the explanation of the style, attributes seen or required in a leader well as the limitation of the style. A thorough examination of these components enable leader to choose the appropriate style wisely. Depending on the situation, these Goleman's leadership styles can be applied in varying proportions. Pacesetting and coercive leadership styles should be employed occasionally, whereas democratic, authoritative, affiliative, and coaching types should be used more frequently and in greater proportion.

3B.3 ETHICAL AND INCLUSIVE LEADERSHIP IN EDUCATION

Ethical and inclusive leadership in education is a guiding philosophy that emphasizes moral integrity, equitable practices, and cultural responsiveness. By embracing diversity and fairness, these leaders set the foundation for accountability and mutual respect in educational

institutions. Unlike administrative-focused leadership models, ethical and inclusive leadership prioritizes addressing systemic inequalities and empowering all stakeholders—including students, parents, staff, and communities—by respecting diverse perspectives and ensuring equal opportunities. Here's an exploration of the key components that define ethical and inclusive leadership.

3B.3.1 Characteristics of a leader for promoting Ethics (promoting fairness, equity, and accountability and inclusion in leadership practices)

Ethical leadership accentuates leading institutions with integrity, fairness, and a commitment to moral principles. It is rooted in prioritizing the well-being of all stakeholders—students, teachers, parents, and the broader community. Ethical leadership encompasses decision-making and actions guided by principles like fairness, accountability, and social justice. Transparency and prioritizing student welfare over institutional convenience are an integral component of ethical leadership.

Fairness, equity, and accountability are the pillars of ethical leadership in education, ensuring equal opportunities and resources for all individuals to succeed.

- **Fairness** involves impartial treatment of everyone. For instance, leaders can adopt unbiased grading systems to evaluate students solely on merit.
- **Equity** takes a step further than equality by considering the specific challenges of individuals. Ethical leaders may implement equitable resource distribution, ensuring all students, including those from underprivileged backgrounds, have access to educational tools such as technology lab etc.
- **Accountability** makes leaders responsible for their actions. This can involve carrying out periodic audits of programs to assess their alignment with institutional objectives.

Thus, ethical leaders make decisions that are both just and equitable, ensuring that their actions reflect their institution's core values. They inspire others to align with ethical values, becoming role models for their communities.

Meaning of Inclusive Leadership in Education

Inclusive leadership transcend ethical leadership, by actively fostering inclusive culture that eliminate structural barriers and empower all individuals. The goal of inclusive leaders is to establish psychologically secure environments that foster honest communication, teamwork, and development. They facilitate the inclusion of voices from marginalized communities in the formulation of policies and institutional procedures. Through advocating for fairness and dignity, inclusive leaders establish learning environments where everyone feels appreciated and empowered.

In practice, inclusive leaders use hiring practices that guarantee a diverse workforce of teachers. Through the implementation of inclusive learning environment, they promote cultural awareness and overcome implicit biases. In order to make sure that every student is respected and represented, inclusive leaders also support inclusive curricula that incorporate a variety of voices and perspectives. By intertwining these two paradigms, ethical and inclusive leadership fosters transformative educational spaces where fairness, equity, and diversity are not merely ideals but actionable principles.

Characteristics of a Leaders promoting ethics in inclusion leadership practices

Here are some of the characteristics exhibits how ethical and inclusive leadership manifests in educational settings:

1. Moral vision and Equity-Centered Approach:

Ethical and inclusive leaders operate with a strong moral compass, ensuring decisions reflect institutional values such as respect, inclusivity, and fairness. An ethical leader demonstrates unwavering integrity, consistently acting in alignment with core moral values. They actively address educational disparities by advocating for marginalized students and ensuring policies promote equity. They believe in tackling disparities in education through targeted resources and inclusive curricula.

2. Fairness and Justice:

Such Leaders ensures that all individuals are treated fairly, irrespective of their background, identity, or socioeconomic status. They develop fair policies and address instances of discrimination or favoritism. For example, they may introduce scholarship programs to support students from disadvantaged backgrounds, ensuring equal access to educational opportunities.

3. Integrity and Accountability:

Acting with honesty and transparency, these leaders uphold their institution's core values by being open about policies and seeking improvements when needed. They prioritize transparent decision-making processes and accept accountability for their outcomes. In practice, this may involve sharing institutional progress openly and acknowledging mistakes while seeking corrective measures.

4. Empathy and Compassion:

Understanding the diverse needs of students and staff is a core characteristic of inclusive leadership. Ethical and inclusive leaders listen actively, offer support, and build trust by addressing individual concerns. This empathetic approach helps create positive learning environments that foster student and staff well-being.

5. Dedication for Diversity:

Ethical and inclusive leaders actively promote diversity through inclusive recruitment practices, curriculum design, and extracurricular activities. They strive to ensure marginalized groups are represented in all aspects of educational life. For example, they may recruit teachers from various cultural backgrounds to provide students with relatable role models. Additionally, leaders may incorporate diverse authors and perspectives into curricula to promote cultural awareness and social understanding. For instance, a school leader who ensures that cultural events reflect various ethnic backgrounds and promotes diverse teaching resources enhances inclusivity.

6. Bias Responsiveness:

Ethical and inclusive leaders acknowledge and address both institutional and individual biases and prejudice. To establish more equitable learning settings, they train staff members against bias and examine policies for hidden disparities. They establish platforms like student advisory councils to allow students and staff to voice their ideas and experiences, fostering mutual respect and eliminate discrimination.

7. Commitment to Sustainable and Inclusive Practices:

Ethical and inclusive leadership involves long-term commitment to systemic change. This includes professional development programs on social justice, unconscious bias, and inclusive teaching practices for all the staff members. Inclusive leaders also integrate students with special needs into mainstream classrooms by providing adaptive technologies, specialized resources, and dedicated support staff.

8. Zeal for Community Collaborations:

In order to solve social and economic problems that impact education, such as food insecurity or transportation gaps, ethical and inclusive leaders collaborate with local organisations. They foster supportive environments that enable kids to flourish by establishing connections with the community.

9. Courage to Address Challenges:

Ethical leaders demonstrate courage by confronting unethical behaviors and systemic issues within their institutions. They support measures that promote equality and justice, making sure that their learning settings respect the fundamental principles of inclusion and justice.

In essence, ethical and inclusive leadership is vital for cultivating equitable and supportive learning environment. By embracing values such as integrity, empathy, and fairness, leaders promote ethics and accountability while ensuring diversity, equity, and inclusion. These efforts not only enhance the quality of education but also contribute to the development of a just and inclusive society. This leadership is not static but an evolving process. Ethical and inclusive leadership requires ongoing

reflection, adaptability, and dedication to systemic change. By integrating these principles into daily practice, educational leaders can transform institutions into nurturing spaces where every learner has the opportunity to succeed.

3B.3.2 Building and sustaining relationships with stakeholders (teachers, students, parents, and community)

Effective leadership in educational institutions extends beyond routine administrative tasks; it hinges on a leader's ability to cultivate and maintain positive relationships with key stakeholders. Building and maintaining relationships with stakeholders is an essential component of effective leadership in educational settings. The job of the leader in cultivating these connections is multifaceted and includes engagement strategies teamwork, and communication that encourage understanding and support among stakeholders.

Meaning:
In the context of education, stakeholders are people or organizations that have an interest in the well-being and efficient functioning of an educational institution. these stakeholders include teachers, students, parents, and the broader community, all of whom play vital roles in influencing educational outcomes. Involving parents in decision-making can improve home support for students, while engaging teachers in curriculum development leads to more relevant educational programs. Likewise, community involvement can provide valuable resources that enrich learning experiences.

Stakeholder relationships refer to the interactions and connections between educational leaders and individuals or groups having interests in the institution's achievements. These relationships significantly impact educational quality, student performance, and overall institutional success. Strong stakeholder engagement fosters trust, enhances decision-making processes, promotes accountability, and ensures that educational initiatives align with community needs.

Significance of Stakeholder Relationships:

Building and sustaining meaningful relationships with stakeholders—parents, teachers, community members, and others—is fundamental to the success of any school. These connections go beyond formality and directly impact the quality of education and the overall school experience. The below mentioned points discuss why these relationships are so significant:

- **Improved Academic Performance:** When motivated parents, encouraging teachers, and effective community partners actively collaborate, students thrive in a supportive atmosphere. Parental involvement, for instance, is linked to better attendance, improved classroom behavior, and enhanced academic performance.
- **Elevated Reputation of the Institute:** An educational institute that maintains positive ties with its stakeholders earns trust and admiration

from the community. This stronger reputation not only enhances the school's image but also attracts talented staff, eager students, and fruitful partnerships.

- **Greater Access to Resources:** Partnerships with parents, community leaders, and businesses create pathways for further resources, including funding, educational materials, and learning experiences. For instance, local businesses might sponsor extracurricular programs, offer internships, or contribute resources for hands-on education.
- **A Nurturing Learning Environment:** Making genuine relationships with stakeholders fosters a good learning environment in which learners feel secure, encouraged, and nurtured. This supportive environment positively impacts their mental well-being, emotional security, and willingness to engage fully in their studies.
- **Informed Decision-Making:** When stakeholders are involved in school decisions, their diverse perspectives enrich policies and programs. Parents, educators, and leaders in the community can offer quality inputs that improve curriculum development, extra-curricular programs, and school policies.
- **Promotion of Lifelong Learning:** Close partnerships, especially between parents and teachers, inspire students to value learning as a lifelong pursuit. These interactions help cultivate a growth mindset, motivating students well beyond their learning in school.

Essentially, strong stakeholder relationships are the backbone of a school's ability to deliver quality education, nurture students and uphold a positive societal image. By working together, everyone involved contributes to shaping not just a thriving educational institution, but a stronger community as well.

Leader's Role in Building Stakeholder Relationships

Educational leaders are instrumental in nurturing and sustaining relationships with stakeholders. The following strategies can be implemented by leaders to build and sustain relationships with Stakeholders.

- **Encouraging Transparent Communication:** One of the most significant relationship-building strategies is consistent and transparent communication. Leaders must employ various communication channel to clearly and consistently convey their vision, objectives, and expectations. Establishing platforms for stakeholders to express concerns, provide feedback, and stay informed about institutional updates fosters inclusivity. Encouraging feedback from stakeholders helps in understanding their needs and concerns, fostering a sense of inclusivity and respect. For instance, setting up parent-teacher meetings or monthly meetings with teachers ensures continual interaction.

- **Creating Opportunities for Collaboration:** Leaders and stakeholders are better connected if they work together. Initiatives that promote collaboration, including community outreach programs involving students, parents, and neighborhood organizations, can be planned by leaders. This promotes a feeling of group ownership and purpose. Other collaborating initiatives like teaming up with local businesses to sponsor school events or engaging community leaders as guest speakers helps build strong connections between the institution and the broader community. It can enhance the educational experience by providing additional resources and opportunities.

- **Demonstrating Empathy and Inclusivity:** Two qualities that are crucial for leaders are empathy and inclusion. By recognizing and appreciating the distinct perspectives and needs of various stakeholder groups, leaders can address their concerns more thoughtfully. Collaborating with local businesses to sponsor school initiatives or engaging community leaders as guest speakers helps build strong connections between the institution and the broader community. Practicing inclusivity with initiatives like, curriculum development meetings with student leaders or inviting parents to attend school functions encourage active participation and promotes a sense of belonging and collaboration.

- **Acknowledging and Appreciating Contributions:** Acknowledging stakeholder efforts and contributions is vital for sustaining relationships. Relationships with stakeholders can be strengthened by expressing gratitude through personalized words or acknowledgement, which will make them feel appreciated and supported. Positive relationships are strengthened when a parent's active participation in a school event or a teacher's innovative teaching strategies is publicly acknowledged.

- **Establishing Trust and Credibility:** Active engagement with stakeholders builds trust, enhancing the institution's credibility. Trust-driven relationships motivate parents and the community to support school initiatives. Leaders play a crucial role by demonstrating consistency, accountability and reliability. Following through on commitments and promptly addressing stakeholder concerns reinforces trust and strengthens the institution's credibility.

    - **Enhancing Conflict Management Skills:** Good leaders actively listen to the views, ideas, and feedback from stakeholders and encourage everyone to participate in open discussions. This practice, in turn, helps in winning trust and working together to find solutions. Constructive conflict resolution involves mediating disputes, facilitating conversations, and implementing fair solutions that respect all parties. Providing continuous support—whether academic, pedagogical, technological or personal—enables stakeholders to overcome challenges and contributes to a cordial environment.

- **Adaptability and Flexibility:** Adaptive and flexible leadership is crucial in forming strong stakeholder relationships and resolving conflicts. During challenging times, such as the COVID-19 pandemic, successful leaders adapted their strategies by leveraging technology to maintain engagement. By harnessing open communication and collaboration, they cultivated a sense of shared responsibility and collective commitment.

- **Leveraging Technology for Engagement**: In the digital age, technology serves as a powerful tool for enhancing stakeholder engagement. Leaders can utilize platforms like email newsletters, social media, and school apps to share updates, achievements, and other pertinent information. Stakeholders become informed which enables them to actively participate resulting in a collaborative and positive environment.

- **Providing Professional Development:** Leaders can support teachers by facilitating professional development opportunities, such as workshops and training sessions. These initiatives empower teachers with new skills and knowledge, enhancing their ability to meet student needs and foster stronger stakeholder relationships.

As the field of education continues to evolve, building and sustaining stakeholder relationships remains a cornerstone of effective leadership. Leaders in educational institutions play an indispensable role in establishing and maintaining strong relationships with stakeholders. Through effective communication, empathy, collaboration, and appreciation of contributions, they foster an atmosphere of trust, participation and mutual success. These relationships are not just an aspect of leadership but a foundation of effective educational management. Continuous investment in these connections helps cultivate a thriving and inclusive academic community.

3B.4 LET US SUM UP

In order to address the challenges of the twenty-first century, knowledge and skill empowerment has become a must, which can only be obtained through quality education. Effective educational leadership is at the top of the list of requirements for ensuring quality education. As a result, ethical and inclusive leadership is and will be critical in the twenty-first century and subsequent centuries. Ethical and inclusive leadership in education is key to the creation of fairness, equity, and inclusivity within educational institutions. A leader who cultivates an organisational climate that supports successful learning can significantly improve learning. Thus, strong educational leaders, who are well-versed in leadership roles and styles at the same time and are able to remodel the existing system in for ensuring a better learning-centered system, is better suited to meeting the needs of the twenty-first century. The present chapter is an attempt to unit, the concept of Leadership, certain foundational elements of leadership in general and its approaches. It further discusses the details of various

models as developed by Blake and Mouton, Fiedler, Goleman as well by Hersey and Blanchard. It also stresses the significance of building and sustaining relationships with stakeholders deliver quality education, nurture students and maintaining a positive societal image.

3B.5 UNIT END EXERCISE

Q. 1 Fill in the blanks.

1) Blake and Mouton created the Blake and Mouton's Managerial Grid in the year ……
2) …….. and …… are the two dimensions of leadership behaviour as defined by Hersey and Blanchard.

Q. 2 Answer the following Essay type questions.

1) According to you, which one of the Goleman's leadership styles is best suited for an educational institution? Why?

2) What is an ethical and inclusive leadership? How ethical and inclusive leadership manifests in educational settings

Q. 3 Short notes.

1) Practical application and criticism of the Blake Mouton Grid
2) Leadership style according to Fiedler's Contingency Model

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4A

FINANCE MANAGEMENT IN EDUCATION-I

Unit Structure :

4A.0 Learning Oucomes

4A.1 Introduction

4A.2 Finance Management in Education

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4A.6 References

4A.0 LEARNING OUTCOMES

After reading this unit you will be able to:

- State the meaning of concept of Finance Management in Education.
- Define the term – Finance Management in Education.
- Explain the concept of Financial Planning.
- Analyze the objectives and need of Finance Planning.

4A.1 INTRODUCTION

Finance is the Lifeblood of Education system. Without blood, body cannot function. Same way Finance and its management is a vital part of the Education System. It is hard to ignore this aspect because as much as it is concerned with our goals, product/outcomes as well as kind of career the finances drives all. Specific knowledge of financial management is need of time and success of any system.

4A.2 FINANCE MANAGEMENT IN EDUCATION

4A.2.1 Meaning of Financial Management (What is Financial Management?):

Financial management is defined by Pandey (1995) as that management activity which is concerned with the planning and controlling.

Financial management relates to strategic planning, organising, directing, and controlling of financial plan, programs or course of actions undertaken by an organisation or an institute. It can cover the all activities relating to allocation and utilisation of the funds in an optimistic manner. Management principles are also applicable in financial management of any institution or organization. Financial management also plays an important role in fiscal management. Financial management is done by the financial manager and his team/committee members. Financial management is essential to achieve the ultimate goals and objectives of the organizations,

4A.2.2 The Objectives of Financial Management:

1. Maintaining enough flow of funds for the organization.
2. Helping in searching better sources of fund at the minimum cost.
3. Guiding for optimum and efficient utilization of funds.
4. Guiding on the strength and weaknesses of their organization accordingly financial planning can be done.
5. Generating new safe opportunities of investment for healthy growth.
6. Attempting to achieve good returns to the investors on their investment.
7. Assisting in framing of capital structure of the organization.

4A.2.3 Functions of Financial Management:

The role of Financial management is varied in nature. It is based on the following aspects of Management:

- In financial planning and acquisition of funds, financial management helps institution as a guide.

- It organises funds effective manner as per the need of the organization.
- It provides guideline to the organisations during critical financial decisions;
- It helps organization to achieve the goals and better outcomes.
- It supports to improve quality, goodwill and the overall developments of an organization.
- It provides better strategies for economic stability of an organisation.

In Short, the financial management is generally relating to procurement, allocation and control of financial resources of an Organization / Institution.

4A.2.4 Role of Financial Management in Education:

Financial Management of Educational System or Educational Institutions refers to that management activity that is concerned with decisions on how to procure funds, of an organization's financial resources, disburse resources for the implementation of educational programs**.**

Financial management help in raising of funds and ensuring that the funds so that it can be utilized in the most effective and efficient manner. Due to scarcity nature of resources the managers of educational institutions should ensure optimal utilization of those scarce funds.

Assist head of Institution by providing innovative techniques to keep a record of their stewardship in financial matters with intention for the benefit of the Management, Administrator and government who set Educational policies and courses for the different levels of studies.Regular inspection or verification of cash receipts and payments and safe guarding of cash balances.It is, also, the supervision of cash receipts and payments and safe guarding of cash balance.

4A.2.5 Areas / Components of Performance of Financial Management in Education:

1. Procurement and raising of funds.
2. Allocation of financial resources for different educational institutions.
3. Optimum utilization of funds.
4. Supervision of cash receipts and payments with managing cash and debts.
5. Maintaining regular records and safeguarding of cash balance.
6. Developing dynamic Managerial structure.
7. Setting Forum, Boards, Committees, Councils, etc. for effective implementation of financial policies in education.

8. Developing Educational Programs, Payrolls and other Services with Teaching-Learning activities, etc. at Institutional, State and Central level for the sake of attainment goals of National Educational policy.
9. Budget making at Institutional, State and Central level.
10. Developing infrastructures, institutional set up and managing assets and structures of educational institutions.
11. Preparing financial reports
12. Setting Rules and Regulations
13. Generating effective financial system to manage budgeting and accounting to anticipate the needs of the educational plan/goals, time, place and availability of resources.

Thus every management attempts effectively to accomplish the set goals / destination, then how come financial management in Education can be an exceptional one. It is also contributing more dynamically to serve the society by rendering outcomes through trained-skilled human resource who will contribute in economic growth of a nation.

Financial Management in Education is contributed in setting of financial Planning, organizing, coordinating of financial Plan and evaluating the success / failure of implemented plans.

4A.3 FINANCIAL PLANNING: OBJECTIVES AND NEED OF FINANCIAL PLANNING

4A.3.1 What is Planning?:

When it is said that Management is sum of planning, organizing, controlling and coordinating functions, Planning is root or topmost function and without this no other function can be proceeded.

Planning is a key factor of management which helps to know in advance what the organization wants to achieve and how this goals/objectives can be achieved. It is the first point of a set management process.

4A.3.2 Definitions of Planning:

- Planning involves all those managements activities which deal with setting the organizations goals/objectives and determining how these can be achieved (De Beer &Rossouw, 2005:10). In the context of this study it relates to the planning of financial matters of a school.
- According to Nel (2000:160), planning is the most important element of any activity and without it there will be no goals towards which the staff can work. Planning is thinking ahead and anybody who plans anything (also school finances) must ask questions such as why, what, when, where, who and how. The answers to these questions will then determine the way forward.

4A.3.3 Financial Planning (Meaning And Definitions):

Financial planning means, it is a consistent cycle of recognizing financial objectives, organizing those goals and planning for how to accomplish them. In fact, it is a step-by-step approach to meet the goals of an organisation. Financial Planning is the process of estimating the capital required. It is the process of framing financial policies in relation to procurement, investment and administration of funds of an enterprise. A newly established as well as an existing organisation must perform this function very carefully because it is concerned with the procurement and effective utilization of funds, so a carefully prepared financial plan will not only ensure the economical and sufficient procurement of funds but their proper utilization also.

The process begins at financial planning, many times in the form of cash flow and forecasting balance sheet.A carefully prepared financial plan will not only ensure the economical and sufficient procurement of funds but their proper utilization also which results in success of business.

According to Benjamin Franklin, "If you fail to plan, you are planning to fail." You may have several different financial goals you wish to achieve but to reach them at the right point in life; you need to have a financial plan in place at a very young age.

The above thought of Franklin on financial plan/planning is supplementary to the following definitions-

In accordance to Ekweueme P. "Finance is that art as well as science of managing money, its concerned with each process, market, organizations and instrument involved in transfer of cash among as well as in between government and business."

According to Walker and baughn "Financial planning pertains to the function of finance and includes the determination of the firms' financial objectives, financial policies and financial procedures."

In global economy, the effectiveness and efficiency of any organization or a company depend on a number of factors which may be classified like functions, communication, financial planning and control and management planning. There's need to have a proper understanding of the objectives of the company's financial planning otherwise it's difficult to identify goals and set achievable targets for your goals.

4A.3.4 Objectives of Financial Planning:

Making estimation of total capital requirement:

The first step in financial planning is to determine the actual investment or capital required. The capital requirement basically done for the short-term and long-term purposes. Capital requirement depends on several factors like the requirement of current or fixed assets including advertisement and operation expenses. Estimation will be prepared as per the set goals of a system. It is also change as per diversion or expansion program introduced

in the educational system. Growth/expansion includes any kind of new course/ program launched as per the market demand. i.e. introduction of IT or any vocational courses, Soft skilled/ Life skilled program, Degree/ Post degree Program, etc. So, financial planning help in estimation for such expansion of a system.

Deciding the availability and timing of sources of funds:

Determining the sources and timing of funds is very crucial. The required amount of funds should be available at the right time according to business needs. Financial planning helps in determining the right source of funds and its availability at the right time as per current requirements. While deciding the sources of raising funds, it is also need to ensure regularity of fund adequacy for routine conduct of programs, activities, etc. at different levels. Basically, timeframe plan/ financial planning cycle will be set according to the short term, medium term and long term need of funds i.e. for 5, 10, 20 years, etc.

Framing of capital structure:

A business's capital structure is considered the composition of total external or internal equity-debt ratio of capital. As per the need and present financial status, the organization set the capital structure i.e. how much to borrow, how much to have owned capital, etc. Financial planning includes the decision on the debt to equity ratio and the kind of investment required both in the short and long term.But most of the educational institution may relied on grants, course fees, donations, charity, capitation fees, loans, etc. and Ministry Budget will also support for implementing educational policies.Financial Planning help to maintain the fund structure flexible in nature to anticipate changing need as per change in the short term as well as long term goals of an organisation/Department/ University/ Ministry level.

Maintaining balance between excess and shortage of funds:

The prime objectives of financial planning to prevent the system from raising unnecessary funds. Excess funds are just unnecessary engage of money which cannot generate any revenue for a system. Same way shortage of fund will also effect on completion of task/goal. So, balance between the excess and shortage of fund need to maintain for better outcomes/result. It ensures a reasonable balance between outflow and inflow of funds so that stability is maintained. It also assures that there will be adequacy of fund for contingencies.

Selecting best optional strategies for Risks/Uncertainties:

Financial planning detects the risks and issues related to the action plan set to achieve. After detecting the issues at the planning stage, the specific optional strategies are prepared to solve the detected issues. It helps to complete the task and saves the time, money and energy. As future is uncertain and risk is the other name of the business, so whenever there is a

need of fund in any emergency or contingency, planning only help to procure and allot such fund to face the uncertainties.

Framing the objectives, policies, procedures, programs, budgets, Cost-benefit and Cost Effective Analysis, etc.

It helps in preparing the objectives, policies, procedures, programs, budgeting, Costing and Cost Benefit Analysis, etc. of a concern. This ensures effective and adequate financial and investment policies for the growth or expansion of educational programs. One of the objective of financial planning to help in making of policies towards cash control, lending, borrowings, etc. by ensuring sufficient liquidity of funds. A finance manager frame ensures that the scarce financial resources are maximally utilized in the best possible manner in order to get maximum returns on investment. It helps in preparing Budget at Institutional level or Departmental level or University level or Ministry level for the implementation of set educational policies in upcoming time.

4A.3.5 Need of Financial Planning:

To avoid wastage and increase savings:

Financial planning needed for avoiding wastage and save money/fund for future purpose. It may be possible through getting insight view of incomes/gains and expenditures/losses. It is easy to detect loopholes and cut down the unnecessary costspractically. This automatically increases savings of the system in the long run. Continuous planning helps to plan for the organizational expansion and growth.

To increase the goodwill and Image in the market:

A good financial planning helps to update and upgrade the quality of the product or career or skills of an institution. Through good advertisement and marketing any institution can build a better image in the society. For social awareness there is a need of good funding. Standard of work in the institution can be updated and upgraded only when fund provisions are make it available on right time. Modernisation, diversion and adopting new advance techniques in the teaching and learning process or other educational programmes can be possible only with the help of financial planning.

To be prepared for emergencies or contingencies:

Financial planning helps in creating a fund during contingencies, It assured about raising funds in case of any loss, contingencies aroused. The emergency fund can help topay for varied expenses on time. Without planning it is not possible to insight review and study what is need of today and tomorrow. All investment decisions can be possible with financial planning. As future is uncertain and risk is the other name of the business, so planning is needed to face the uncertainties.

To achieve the set goals and objectives of an organization:

The financial planning is needed not only to set the goals and objectives but to achieve them on time to time. It is not just about increasing the savings/investment and reducing expenses/costs but need to plan how, when, what and where need of financial plan. According to strengths and weaknesses all will be decided through the cost analysis, budgeting, forecasting, etc. With all arrangements /availability of funds new goals and objectives will be set and vice versa.

To generate wealth/long term investment:

To purchase plot, machinery, building, assets, furniture, etc. required lots of fund. This long term investmentis not short term goal but it need to plan from the beginning. Investment in others securities like shares, debentures bond, mutual funds, fixed deposits, etc. is only possible when the financial plan being continuously successful. All such investments are also important for the growth and expansion of any educational institution. Dream of generating such wealth/investments can be possible only through a good and effective financial planning as it requires lots of fund.

To conduct employee welfare programmes:

Manpower is the backbone of success of any institution. Human resource is very important factor of production. If we utilize such resource in an effective manner, then there will be better outcomes in such activity. So, cent percent contribution the staff should be satisfied/happy with the work/job. They must get security of job, promotion, appreciation, compensation for additional work, insurance, gratuity, pension schemes, etc. in which institution they work. These all requires lots of funds with financial planning to make provisions for any employee welfare programs.

To conduct HRD programmes / Enrichment Programmes:

Educational institution is a training centre of a child. Education is a demand of the society. To impart quality education or teaching-learning experiences, need to train staff. Training is essential due to changes occurred in ICT, Educational policies, Teaching-Learning Programs / Methodologies, Educational Technologies, etc. There is need conduct such training programmes for teachers' professional growth and other enrichment programmes for their skill, education, leisure time, etc. So, for all such workshops, seminars and sending for training requires funds which is possible through financial planning. It is expensive but need of a time.

To manage for Capital payment and Revenue payment:

Every year, organization has to manage for Capital payments like Amount paid for the purchase of Assets, redemption of share capital and debentures, repayment of long drawing by the proprietor, premium paid on the purchase of Assets and payments for Goodwill etc. Also has to manage for Revenue payment like payments of salary, wages, cash purchases,

payment to creditors, bills payable, compensation for breach of contract for the supply of goods, payment of interest on the bank loan and GS, etc. Such all the payments can be possible through sufficient funds. For procurement and allotment of funds need financial planning.

To implement the right plan and monitor effectiveness of financial plan regularly:

The financial planning process does not end once you invest your money. It need to monitor how the funds are performing regularly. If there are no positive outcomes, there is a need to replace them with better performing funds. For instance, financial priorities may change after changes in technologies, Methodologies, etc. Financial planning needed to check the effectiveness of the plan by achieving goals of the organization or not accordingly modification will be made in the plan to achieve the major goals.

To help in External Audits and Review:

Some of the organizations have always been legislatively forced to need audits prepared every year, others have a concerns for performing external reviews and external audits. Provided costs are an issue in some of the institution, then maybe they can choose to go for external audit at least once in three years. Thus proper financial plan helps to review income and expenses, cut the cost and to save for future deal in the long run.

To help in preparing the objectives, policies, procedures, programs, budgeting, Costing and Cost Benefit Analysis, etc. of a concern:

A finance manager frame ensures that the scarce financial resources are maximally utilized in the best possible manner in order to get maximum returns on investment. It helps in preparing effective policy, Program, Budgets, Cost Benefit Analysis, etc. and then evaluate through audit, review of reports, etc. to check the effectiveness of the plan.

4A.4 LET'S SUM UP

In this chapter we learned that in order to ensure that financial resources are used effectively and efficiently to accomplish institutional goals, finance management in education is essential. It entails arranging, coordinating, managing, and overseeing all financial operations in an educational setting. Educational institutions can promote long-term financial health, transparency, and accountability by studying planning ideas, definitions, objectives, and the need for financial planning. This will assist the provision of high-quality education and the growth of the institution.

4A.5 UNIT END EXERCISE

Q.1 Answer the following.

1. 'Financial Planning is important function of financial management', discuss with the reference to need and significance of financial planning.
2. Describe what financial management means. In what way does it pertain to educational establishments?
3. Discuss about the goals of financial management in relation to the administration and planning of education.
4. Explain the several roles that financial management plays. 5.In what ways do these roles facilitate efficient institutional governance?
5. Examine critically how financial management contributes to the sustainability and improvement of educational institutions.
6. Describe in detail the main areas and elements of financial management performance in education. Provide examples to back up your response.
7. Explain planning and go over its features. What distinguishes general planning from educational planning?
8. What does financial planning mean to you? Give definitions from a variety of specialists and explain what it means.

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4B

FINANCE MANAGEMENT IN EDUCATION-II

Unit Structure :

4B.0 Learning Oucomes

4B.1 Introduction

4B.2 Concept of Budget and Budgeting, Revenue generation strategies in Education

4B.2.1 Budget: Concept

4B.2.2 Budgeting: Concept

4B.2.3 Budgeting and Forecasting

4B.2.4 Purpose and Objectives of Budgeting

4B.2.5 Steps of Budget Preparation

4B.2.6 Fundamental Principles of Budgeting

4B.2.7 Opportunities for change in Budgeting Practices

4B.2.8 Equitable Student based Budgeting

4B.2.9 Staffing Based Budgeting

4B.2.10 Revenue generation strategies: Meaning and Definition

4B.2.11 Revenue generation strategies/tactics

4B.3 Cost Management

4B.3.1 Cost Management: Concept and Meaning

4B.3.2 Process of Cost Management (steps involve in the process of cost management)

4B.3.3 Cost-Concept

4B.3.4 Types of Cost

4B.3.5 Cost Benefits of Education

4B.3.6 Cost-Benefit Analysis

4B.3.7 Cost-Effectiveness

4B.3.8 Distinguish between Cost Benefit Analysis and Cost Effectiveness

4B.4 Let's Sum Up

4B.5 Unit End Exercise

4B.6 References

4B.0 LEARNING OUTCOMES

After reading this unit you will be able to:

- Define the terms- Budget and Budgeting
- State the Revenue Generation Strategies in Education.
- Define the concept- Cost Management.
- State the types of Costs of Education.
- Explain the concept of Cost Benefit Analysis, Cost Effective Analysis.
- Differentiate the Cost Benefit Analysis, Cost Effective Analysis.

4B.1 INTRODUCTION

A budget is a numerical representation of a financial strategy for a given time frame that lists anticipated income, costs, assets, and obligations. The administrative process of creating, carrying out, and overseeing budgets in order to accomplish organizational objectives is known as budgeting. Financial planning is essential for the survival, innovation, and expansion of any institution, but it is especially important for educational institutions, which frequently need large sums of money from a variety of initiatives and revenue-generating tactics. Expenses at the individual, institutional, societal, and governmental levels represent the costs associated with all educational services. Analyzing whether educational investment produces the intended results is essential to efficiently managing these costs. Therefore, financial management is essential to making sure that educational investments are effective and produce positive results, which eventually aid in the development of the country.

4B.2 CONCEPT OF BUDGET AND BUDGETING, REVENUE GENERATION STRATEGIES IN EDUCATION

4B.2.1 Concept of Budge

According to Oxford and Cambridge Dictionaries:

The word budget comes from the Old French word **bougette** meaning "small leather purse", which in turn is a diminutive of the Gaulishbouge for "leather pouch, purse".

The common usage of the word "budget" refers to a financial plan by an individual or an organization based on their projected income and expenses. By extension, it also is used in the sense of the amount that individual or organization has available to spend.

A financial statement in which a government recorded how much money it plans to spend on particular things in the next year and how it will be arranged. To plan carefully how much money to spend on something is consider as budget.

A budget is the sum of finances allocated for a particular purpose and the summary of intended expenditures along with proposals for how to meet them. It may include a budget surplus, providing money for use at a future time, or a deficit in which expenses exceed income.

Corporate Budget:

The budget of a company is often compiled annually, but may not be a finished budget, usually requiring considerable effort, is a plan for the short-term future, typically allows hundreds or even thousands of people in various departments (operations, human resources, IT, etc.) to list their expected revenues and expenses in the final budget. In other way, the budget of a government is a summary or plan of the intended revenues and expenditures of that government. There are three types of government budget = the operating or current budget, the capital or investment budget, and the cash or cash flow budget.

Cash flow/cash budget:

A prediction of future cash receipts and expenditures for a particular time period. It usually covers a period in the short-term future. The cash flow budget helps the business to determine when income will be sufficient to cover expenses and when the company will need to seek outside financing.

4B.2.2 Budgeting: Concept (Meaning, Definitions):

Budgeting is a systematic approach, that predicts revenues and expenditures of an individual, family, group, business entity, or government. A realistic report helps businesses trace their financial performance. This is crucial for decision-making.

Budgeting can involve making a comprehensive list of expenditures or focusing on a few categories. Some people prefer to write their budget out by hand, while others use a spreadsheet or budgeting app. There's no correct way to budget - what works for one person might not work for another.

Budgeting is the managerial process of designing, implementing and operating budgets. Budgeting is the highest level of accounting in terms of future which indicates a definite course of action and not merely reporting but controlling through the timely feedback.

They are classified into personal, corporate, government, static, flexible, master, operating, cash, financial, and labor subtypes. Incremental, zero-based, activity-based, participative, negotiated, and value proposition, etc. another different methods of budgeting.

4B.2.3 Budgeting and Forecasting:

Forecasting is a process of predicting the future state of world, in connection with those aspects of the world which are relevant to and likely to effect on future activities.

Any organized business cannot avoid anticipating or calculating future conditions and trends for the framing of its future policy and decision. Forecasting is concerned with probable events whereas budgeting relates to planned events. Budgeting should be preceded by forecasting, but forecasting may be done for purpose other than budgeting.

Thus, in forecasting an estimate of what is likely to happen is made whereas budgeting is the process of stating policy and programme to be followed in future. Further, forecasting does not implicate any sense of control while budgeting is a tool of control since it workout actions which will bring in practice according to desire so that it can be relevant to the future situation but may or may not exist.

4B.2.4 Purpose and Objectives of Budgeting:

The overall purpose of budgeting is to set plan for different business operational phases to coordinate activities of different departments of the organsation and attempts to bring control over it. To achieve the purpose, a budget could be attaining the following objectives:

1. To anticipate the firm's future financial condition and future need for funds to be required in the business with a view to keep the firm solvent.
2. To decide the capital structure as per the available sources of funds at the least cost.
3. To predict the firm's future sales, production cost and other expenses in order to earn desired amount of income and minimise the business losses.
4. To support for the efficiency development of various departments, divisions, centres of the organisation.
5. To build coordination among the different departments of the institution toward the common objectives
6. To have control on the efficiency of organisations relating to cash, stock, sales/outcomes, results, etc.
7. To decides the duties of the departmental heads.
8. To ensure centralised control over the institution through the budgetary system.

4B.2.5 Steps of Budget Preparation :

(Reference to Article published on Wallstreetmojo.com on budgeting)

1. Initiation from Top Management The budgeting process begins with the receipt of top management's forecasts and marketing project objectives by the department heads or junior executives. A schedule for budget completion is also provided.

2. Sales Estimate Preparation Since a firm's activities depend on sales, an estimate of sales is prepared. This involves an assessment of the current market situation and a projection of future market conditions, considering internal and external factors.

3. Submission of Sales Forecast The marketing manager prepares and submits the sales forecast to the budget committee for evaluation.

4. Review by Budget Committee The budget committee, which includes top management, evaluates the sales forecast based on historical data and economic/statistical projections. Revisions may be suggested, or a complete restudy may be requested.

5. Approval of Sales Budget The President of the organisation approves the sales forecast as the official **Sales Budget** after considering the committee's recommendations.

6. Preparation of Selling and Distribution Cost Budget Alongside the sales budget, a **Selling and Distribution Cost Budget** is prepared. Both are combined to determine the **Net Sales Revenue** for the upcoming year.

7. Production Budget Preparation Based on the sales budget and cost budgets, the **Production Budget** is prepared. This takes into account:

A) Required stock levels (minimum and maximum)

B) Plant capacity

C) Availability of production elements

8. Conversion to Production Cost Budget The **Production Budget** (in units to be produced) is then converted into a **Production Cost Budget**, consisting of: **Materials Cost Budget, Labour Cost Budget, Overheads Budget**

9. Materials Cost Budget This indicates the estimated cost of materials required. Quantity is determined by the production department .Rate per unit is determined by the purchasing department.

10. Labour Cost Budget This estimates the direct labour costs based on:

A)Time needed to produce one unit

B)Rate of labour compensation

11. Overheads Budget This includes expected overheads (both fixed and variable) across departments, forecasted for the entire budget period.

12. Preparation of Complete Manufacturing Cost Budget The **Materials**, **Labour**, and **Overheads** budgets are compiled into a complete **Manufacturing Cost Budget**, typically presented as a cost sheet.

13. Research and Development Expenditure To remain competitive and innovative, the organisation allocates budget for **Research and Development** (R&D) to create new products or improve existing processes at minimal cost.

The Research and Development Budget is drawn up into two parts:

(i) Fixed or constant expenses necessary to maintain research and development work at the irreducible level; and

(ii) Costs to be incurred on completing the projects in hand or on those to be taken up. It is the management to decide which new projects are to be taken up and whether any of the existing projects in hand is to be given up.

Capital Budget is prepared to estimate receipts and payments on capital account as opposed to revenue account. Following the decision of the management about the capital expenditure to be made during the budget period, capital budget is drawn up to show month-wise receipts and payments on capital account.

A Cash Budget showing expected receipts and payments on revenue account is prepared separately.

Once separate budgets for sales, production finance and other activities have been prepared and finalised and the targeted sales, cost of sales, expenses are determined, the targeted profit and loss account and balance sheet can be drawn.

These statements together are known as Master Budget.

The budget process is shown in figure 1 Budgeting process framework

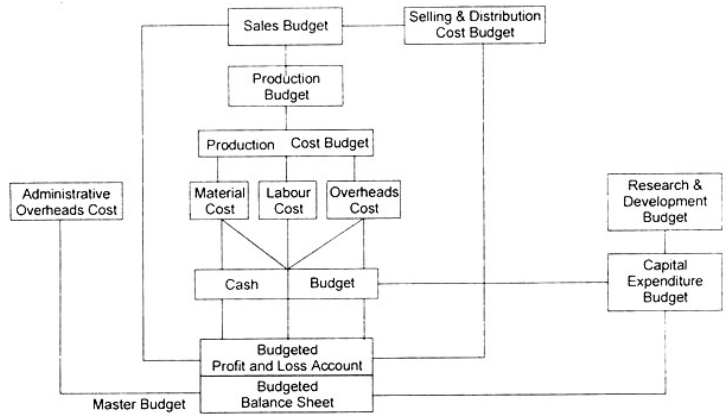

Figure 1. Budgeting process framework

4B.2.6 Fundamental Principles of Budgeting:

When budget is considering as an effective technique of managerial decision making, certain principles need to be followed.

These principles are:

1. Support of Management:

For Successful implementation of the budget there is need of full support, guidance and cooperation of top level management is essential to get cent percent outcomes.

2. Participation of Employees:

At all levels of management should participate in setting targets, preparing and implementing the budget with the cooperation of junior staff/employees definitely make them carefully think about the forthcoming period development and prepare budget accordingly, but same time motivate them to put efforts to achieve budget levels.

3. Statement of Organizational Goal:

There should be clarity in statement of organisational goal. Goals should be set within the framework of organisational objectives, policies and strategies.

4. Responsibility consideration:

Every staff is given some responsibility towards the managerial tasks. Outcomes or results will be checked through performance appraisal. Responsibility reports often contain completion of task of budget to actual comparisons.

5. Organizational Structure:

There should be a need to set the Structure of an organisation and allotment of authority. Everyone should be aware of the Role and responsibilities of Budget Committee and its President in the organization.

6. Flexibility:

During the implementation of Budget some changes required to introduced, then assumptions will be set in that particular year, so budget will be restated.

7. Results Communication:

Proper communications systems should be established for management reporting and information service so that received information/data can be presented to the concerned manager timely. Remedial action will be taken accordingly and communicated top to the bottom and vice versa.

8. Sound Accounting System:

A good accounting system must be developed which help to generate precise, accurate, reliable and prompt information.

4B.2.7 Opportunities for change in Budgeting Practices

An essential step in any organization's successful financial planning and management is budgeting. Traditional budgeting techniques, however, are frequently criticized for being inflexible, laborious, and inadequately adaptable to changing company contexts. There are several chances to modify and enhance current budgeting procedures in light of changing industry demands, technology breakthroughs, and strategy changes.

1. Shift from Static to Dynamic Budgeting

Traditional budgets are inflexible in the face of market swings since they are frequently static and created once a year. Businesses can experiment with flexible budgeting and rolling projections, which enable modifications based on real performance and shifting market conditions all year long.

2. Integration of Technology and Automation

AI-driven analytics, cloud-based financial tools, and budgeting software can improve forecast accuracy, decrease human error, and expedite data collecting. Additionally, automation can replace laborious computations with strategic analysis, freeing up significant time.

3. Greater Involvement of Functional Departments

The finance department shouldn't be the only one responsible for budgeting. A more realistic and thorough financial plan that takes into account departmental priorities and ground realities can be achieved by promoting cross-functional cooperation amongst the sales, marketing, operations, and human resources departments.

4. Performance-Based Budgeting

Businesses can transition to outcome-oriented budgeting, in which financial allocation is based on performance metrics or anticipated outcomes. This promotes effectiveness, responsibility, and congruence with strategic objectives.

5. Scenario Planning and Risk Management

Budgeting for uncertainty is made easier by using scenario analysis. With this method, businesses can simulate various business scenarios, such supply chain interruptions, technological advancements, or economic downturns, and create backup plans appropriately.

6. Sustainability and ESG Considerations

Sustainability objectives and Environmental, Social, and Governance (ESG) measures can be incorporated into contemporary budgeting procedures. Long-term resilience and corporate responsibility can be enhanced by investing in ethical business practices, community development, and green projects.

7. Encouraging Innovation through Strategic Allocation

Innovation, such as R&D, digital transformation, and upskilling programs, should be allowed for in budgets. Innovation must be viewed as an investment that creates value rather than merely an expense in strategic financial planning.

8. Data-Driven Decision Making

Making better budgetary judgments is made possible by the application of big data and predictive analytics. Better financial accuracy and agility can be achieved by using data trends to estimate sales, consumer behavior, and market hazards.

The complicated nature and quick speed of the modern business world require that budgeting procedures change. Organizations can change their budgeting process from a conventional control tool to a potent weapon for growth, innovation, and sustainability by embracing technology, encouraging flexibility, and coordinating budgets with strategic priorities.

4B.2.8 Equitable Student based Budgeting

One creative and student-centered method of school financing is Equitable Student-Based Budgeting (SBB). SBB guarantees that funds follow the student—and more crucially, that allocations are weighted based on individual student needs—in contrast to standard funding models that distribute resources consistently throughout schools regardless of their student demographics. This method encourages equity, justice, and better learning results for every student.

Key Features of Equitable Student-Based Budgeting-

1. Student-Centered Resource Allocation

Fundamentally, SBB makes sure that financing is directly related to student enrollment, giving kids with particular needs—like those from low-income households, English language learners, students with disabilities, or those in need of remedial support—more weight or funding.

2.Formula for Needs-Based Weighting

Each student's scholarship amount is determined using a weighted formula. This could consist of:

a) Base money for each student

b) Extra funding for kids from underserved communities

c) Additional funding for special education or academic interventions

3. Flexibility and Autonomy at the School Level SBB gives school administrators more freedom to choose how to spend their funds in order to best serve their student bodies. At the school level, this encourages creativity and responsibility.

4. Accountability and Transparency By increasing money allocation transparency, the SBB approach helps stakeholders—students, parents, educators, and legislators—understand how resources are allocated and utilized.

5. Fairness in Opportunity and Access SBB guarantees equity of opportunity, not just equality, by allocating greater resources to those who need them the most. It recognizes that in order to attain comparable educational results, different pupils need varying degrees of assistance.

Benefits of Equitable Student-Based Budgeting

1. The advantages of equitable student-based budgeting include better student outcomes from focused expenditures in learning materials, support services, and high-quality instruction.
2. Increased adaptability to community and demographic shifts.
3. Gave school leadership the freedom to create initiatives that cater to regional needs.
4. Increased community and parent trust and engagement as a result of open funding procedures.

4B.2.9 Staffing Based Budgeting

Based on Staffing, The goal of budgeting, a resource allocation technique, is to match financial planning with an organization's or educational institution's workforce needs. The number, kind, and cost of employees required to meet institutional objectives and guarantee high-quality service delivery are the main factors influencing budgetary decisions in this model. It highlights how important human resources are to budget creation and operational planning.

Key Features of Staffing-Based Budgeting-

1. **Employee-Centered Distribution** The staffing structure, which comprises teaching and non-teaching positions, administrative staff, support staff, and contractual or temporary roles, determines the majority of the budget.

2. **Planning Based on Position** Instead than using set sums of money, budgets are created using authorized staff jobs. The pay, perks, and allowances related to each post are recorded.

3. **Connection to Operational or Educational Needs**

   The following criteria are used to assess staffing needs:

   a. Ratios of students to teachers

   b. Demands on the curriculum and class sizes

   c. Counselors, librarians, special educators, and other support services are required.

   d. Maintenance and administrative positions required for efficient operation

4. **Transparent and Predictable Structure** Because staffing levels and costs are reasonably steady and can be predicted with a reasonable degree of precision, staffing-based budgeting provides clarity and predictability.

Advantages of Staffing-Based Budgeting

1. **The benefits of staffing :** based budgeting include ensuring adequate staffing and assisting in maintaining the necessary number of employees in accordance with enrollment trends and institutional goals.

2. **Simplifies Budgeting :** Offers a clear method for preparing for ongoing expenses, particularly in settings where salaries are the primary source of income, such as public offices or schools.

3. **Encourages Accountability :** Easily tracks hiring, vacancies, and personnel expenses by clearly connecting budgetary allotments to employee roles.

4. **Aligns with Staffing Policies :** Encourages compliance with government regulations, staffing standards, or accreditation standards pertaining to role definitions and teacher-student ratios.

Staffing-Based Budgeting in Education Staffing-based budgeting is a typical method used in educational institutions, particularly public schools and universities, to determine the number of teachers, support staff, and administrative staff needed. It assists universities in maintaining the caliber of education and guarantees adherence to government staffing regulations.

For Example:

1. For core topics, a school may allocate funds for one instructor for every 35 pupils.

2. Depending on the program offers, additional funding may be allocated for resource people, special educators, or lab assistants.

Employee-Based a realistic and people-centered approach to financial planning is offered by budgeting. It guarantees that staffing needs are satisfied in a methodical and open manner by highlighting the institution's human resource foundation. Institutions must balance it with more comprehensive strategic planning models to guarantee holistic development and response to shifting demands, even while it provides predictability and compliance.

4B.2.10 Revenue Generation Strategies in Education:

What is Revenue Generation? / Concept of Revenue Generation (Including Definitions):

The term Revenue Generation also refers to the process of creating an income through the production of goods and services. For an individual, generating revenue means doing things that will eventually lead to the creation of income to the person like work on a job, make investments, or start a business.

In business, revenue generation means that a company takes active steps and measures to generate income by selling its goods and services.

According to Investopedia, Revenue is defined as:Revenue is the money generated from normal business operations, calculated as the average sales price times the number of units sold.

Revenue generation means the process of taking steps and actions to create an income, generate revenues, and bring in cash. Revenue generation in business is one of the most important functions allowing the institution to plan income and sales targets and take the necessary steps to achieve such targets.

Revenue Generation Strategies: Meaning and Definition:

Hofer and Schedal (1978), described strategy as a game plan through which aims and objectives of an organization is achieved. They also defined strategy of revenue generation as the fundamental pattern of present and planned resource department, and environmental interaction that indicate how the organization will achieve its aims and objectives.

However, for effective revenue generation, Hofer and Schedal (1978), suggested the following strategies:

I. Introduction of additional sources of revenue.

II. Providing an incentive for extra efforts of the revenue generation staffs.

III. Periodic raiding by officer of the revenue generation.

IV. Efficient and effective collection of existing taxes.

V. Public enlightens and campaign that will educate the tax payer on the importance of prompt payment.

4B.2.11 Revenue Generation Strategies/Tactics:

Different tactics exist, according to each business i.e. Profit making or Non-profit Making. These tactics will be applied for all department not only sales or marketing. Indeed, to be competitive, to stand up from your competitors.

Some examples of tactics:

- generating more prospects
- increasing your conversion rate (through website, live chat, promotion, etc.)
- developing an ideal customer profile
- implementing best practices to guide the implementation of your revenue strategy
- increasing the average price per sale
- generating more leads
- planning to increase the conversion of leads to customers
- Identifying the ideal customer profile
- Finding ways to reduce cost of production and overhead costs
- Finding ways to increase sales
- Looking at opportunities to upsell or cross-sell to customers
- planning to launching new products and services
- Considering entry into new markets
- Considering acquisitions and M&A

As the rule of the identity is “jo dikhtahaibiktahai”, it does not mean only highlighting the product or service by advertisement but also to show work, result, quality, reliability, loyalty and utility of your product or service.

Till organization does not apply tactics, it cannot generate revenue which is essential for the growth and expansion business of the orgnisation.

SIX WAYS UNIVERSITIES CAN INCREASE/GENERATE THEIR REVENUE STREAM

(AN ARTICLE BY GARETH HILL, 18TH MARCH, 2021):

The Pandemic period have been tough for the higher education sector as a whole. A fluctuating economy has put traditional revenue streams and external funding which was at risk. In addition, high fees, changing in the lifestyle of students and, more recently, the global pandemic has also led to the potential risk of reduced student numbers; adding to the uncertainty and pressure.

It means a growing necessity for innovation and creative ways to better utilise expertise and resources. In this article, author suggests:

The following **six** ways that these can provide opportunities for Higher Education / Universities to generate new, growing and sustainable revenue streams for better future.

Professional Training:

Professional training courses offered to the general public, private sector or industry bodies. Skills training, Continual Professional Development (CPD) and sector specific learning is a growing and potentially lucrative sector and universities have the knowledge and the facilities to offer these services, as long as they have the right tools such as course booking and management systems in place.

Commercial Services:

Creating the link between faculty expertise and the private sector, through schemes such as Knowledge Transfer Partnerships (KTP) and consultative services. A dedicated department that's focused on business development and finding new commercial opportunities and partnerships that can yield long-term sustainable income.

Conferencing & Events:

It may have commonly used by the pandemic, but these will be services required again in the future. To maximise the revenue opportunities, educational institutions will need to be able to actively promote and then create an efficient user experience for staff and visitors, from sign-up to event management.

Non-Term Accommodation Rental:

With universities having to invest in quality accommodation to remain competitive with new students, it creates an opportunity to utilise these rooms when the students are not there. Getting occupancy into these rooms in the off-term can be an effective utilisation of space and resources; whether for tourism, linking up with local events in the area or overnight business stays.

Rental of Meeting Rooms and Facilities:

In a similar vein, universities will have many hundreds of different rooms, halls and similar facilities that spend a significant proportion of their time empty. Are they able to become additional revenue generators by offering them up to the public for hire? With more and more businesses moving away from fixed office space, the need for temporary and flexible meeting space is likely to grow in the coming years.

Sports, Camps and Activities:

From 3G football, rugby and hockey pitches, to gym space, tennis courts and other sporting facilities, making it easy to managing bookings to the public when not in use academically can offer further opportunities, utilising the resources a university will already have. Furthermore, with parents always on the lookout for activities for their kids in school holidays, a university campus seems to be a perfect space to run camps, classes and activities while the students aren't around.

Universities have natural resources that can and should be able to generate a sustained level of revenue via commercial avenues. The talented minds to be able to innovate, create and turn these into commercially viable outlets will undoubtedly exist among university staff up and down the land. However, to make it a success, there needs to be the will to actually do it, and an investment in the tools to make each initiative a success.

"**8 WAYS UNIVERSITIES CAN GENERATE ALTERNATIVE REVENUE" BY DIFFERENT AUTHORS ON THE TEMPLATE. NET WEBSITE BLOG**

(Https://Www.Template.Net/Blog/University/University-Revenue Alternatives/**) ARE EXPLAINED BELOW:**

Aside from providing the best quality education and improving university ranking, university administrators also focus on generating revenue for their institution. However, tuition fees alone aren't enough to have consistent revenue. So, what they do is to look for alternative means to generate revenue. There are some alternative means and how they help boost the revenue of universities.

Being Open to Partnership Opportunities:

Public-private university partnership opportunities open countless benefits for higher education institutions. One good example is partnering with bookstores and other businesses offering educational materials. Some universities struggle to make room in their budget for educational materials. The students' purchase of the partnering business's educational materials will give them revenue, and a certain percentage or estimate of that revenue will go to the university's pocket.

Taking Advantage of Local Industries:

Local industries such as film, sports, and corporate companies are entities that universities can approach to help boost their revenue. Some universities offer their activity centers and facilities as a venue for TV commercials, movie sets, reality TV shows, and sports matches. That approach is a sure way to earn revenue. Local industries are willing to pay big to make use of on-campus venues for their activities and events.

Offering Corporate Training Programs:

Higher education institutions such as Harvard University have been offering corporate training programs for professionals and company executives. Those kinds of higher education coursework are expensive, and the high profile students under such programs are fully capable of paying them on time. That said, universities offering corporate training programs will likely enjoy a steady inward flow of revenue.

Focusing on Retention:

Some university administrators look no further than their students in optimizing their revenue. In order to keep earning revenue from their students, university administrators must also focus on formulating strategies to retain students, keeping them from dropping off or transferring to other universities.

Establishing an Open and Diverse Culture:

Establishing an open and diverse culture may not be a direct alternative means of generating revenue, but doing so certainly is effective. In that case, more students will be interested to enrol and pursue their desired profession. More students mean more revenue for a university. Other than that, a university that has diversity has more potential to gain partners, both in the private and public sectors, that can help them optimize their revenue rate.

Focusing on Auxiliary Services:

Universities are required to provide an extensive checklist of auxiliary services to their students, especially to those who are from other towns, cities, and states. Probably next to student tuition and fees, quality food choices are products that most students are willing to purchase despite a higher price. Other than that, university administrators can also invite outside food businesses to rent a space on-campus and sell their consumable products to students.

Selling Merchandise:

Many types of businesses from various industries sell merchandise secondarily aside from their main products. Universities, for one, also sell merchandise to boost their revenue. Merchandise such as t-shirts, jackets, hoodies, caps, notebooks, pens, etc. are excellent examples. Any product that showcases the brand and school spirit of a university have high

marketability, especially to its students, alumni, and other people who may be fans of its varsity sports teams. Universities can sell their merchandise on campus, retail stores, and online stores, depending on their preference.

Having a Social Media Presence:

Countless advanced data analytics had shown that having a presence in social media is effective in marketing and increasing sales for a business. Due to that, universities have their own social media page/account on Facebook, Twitter, Instagram, etc. One great approach for universities to earn revenue in social media is by having their own You tube channel. On You tube, they can publish videos regarding educational topics that are interesting for general viewers. Their channel can garner millions of subscribers in that way.

Universities are large institutions no doubt. When it comes to operating and running large institutions, loads of financial resources are involved in the process. For that reason, university administrators will always look for other sources for revenue. Along the way in looking for alternatives, they're also improving the quality of their educational services and student welfare procedures. Plus, in doing so, they get to earn a steady footing in the community.

MR. RICK SHERIDAN FOCUSED ON SOME NEW STRATEGIES OF REVENUE GENERATIONS THROUGH ARTICLE PUBLISHED IN JOURNAL-UNIVERSITY BUSINESS, IN OCTOBER, 2011 AS BELLOWS:

- Custom publishing of textbooks,
- Selling intellectual property
- Do research for local business
- Sell faculty consultation services
- Internet business
- Partner with a discount card company
- Specialized classes
- International student summer programs

Cost Savings Options:

- Close unused parts of the campus
- Use temperature control devices:
- Use room lighting control devices
- Use daylight instead of electricity
- Waste management he place.

- Solar panels on rooftops
- Save water
- Use purchasing cards
- Reduce the academic overlap between areas

Cost Sharing Options:

- Reduce printing costs
- Join or create collective buying groups
- Charge for expenses related to sponsored research activity
- Utility sharing
- Software capacity

Unused Building and Equipment Rental:

- Rent out the football or basketball stadium for community events such as concerts, swap meets, etc.
- Rent out alumni center space
- Facility rentals
- Lease roof space for cellular tower antennae

Miscellaneous Ideas:

- Identify your brand
- Use a database to track deferred maintenance
- Offer a second chance to qualified students
- Allow faculty to supplement their own salaries
- Generate more cost-savings ideas

Fundraising:

- Employ "personalized" telemarketing
- Endow classrooms and buildings and even individual courses
- Surplus sell or auction off
- Host an interesting event

6.5.10 Conclusion:

Check Your Progress -2:

1. What is the objectives Budgeting?
2. What are the different Revenue Generation Strategies?

4B.3 COST MANAGEMENT: MEANING AND TYPES OF COSTS, COST BENEFIT ANALYSIS, COST EFFECTIVE ANALYSIS

4B.3.1 Cost Management: Concept, Meaning:

Cost Management is the process of planning, implementing and controlling the costs associated with running of any activity. It includes collection, application, analysis and reporting cost information to more effectively budget, forecast and monitor costs.

According to Gartner Glossary:

Cost management is the process of planning and controlling the costs associated with running a business. It includes collecting, analyzing and reporting cost information to more effectively budget, forecast and monitor costs. Cost management practices can be applied to specific projects or to the company's overall operating model. Cost management typically focuses on generating savings and maximizing profits in the longer term.

What is Cost Management?:

(As per Article of accountingtools.com, Cost Management is ..)

Cost management is the control of actual or forecasted costs incurred by a business. It is essential for a company to employ proper cost management, or else it will have difficulty consistently generating a profit.

4B.3.2 Process of Cost Management (Steps Involve in The Process of Cost Management):

Step 1- Collect Cost Information:

This information typically comes from the general ledger for actual costs, but the information can also be ascertaining through an activity-based costing system applied in a system.

Step 2- Review for Cost Reduction Opportunities:

This step can include the segregation of costs into fixed, variable, and mixed costs, reviewing costs on a trend line, analyzing the impact on bottleneck operations, and comparing costs to those of benchmark companies.

Step 3- Report Results:

Report the results of the analysis to management, with recommended actions.

Step 4- Install Controls:

Set up controls to ensure that changes imposed by management are adhered to in the manner intended.

Step 5- Monitor Changes:

Monitor any changes imposed by management as a result of this analysis, to see how the alterations have modified the cost profile of the business.

(ARTICLE on Cost Management August 1987, in PM Network Journal

By Georgas, P. C. | Vallance, G. V.)

Cost Management is one of the primary functions of Project Managers. When integrated with the scope/quality of the project and time management, these three functions form the core of Project Management. The cost management function maintains its important focus at every stage throughout the life cycle of a project. In listing the reasons for the success of a project, the management of cost is the most important as all project aspects affect this function. What counts for the owner is the "bottom line"?

4B.3.3 Cost: Concepts:

Relationship between 'expenditure' and 'cost'.

Both are not the same.

The term cost and expenditure are used interchangeably, but most of the time, we use the term 'cost' and refer to cost per student pertaining to a particular level (primary, secondary, higher secondary or university). Similarly, cost per student to the state for a particular course or level is calculated. From the point of view of the individual, cost of acquiring education does include expenditure on books and stationery, school fees, travel cost and in case of students making use of hostels, it will also include rent of hostel accommodation, mess charges, etc.

In an educational enterprise, we have to measure the cost incurred by the supplier of education and by the consumer of education separately. This necessitates a re-consideration of cost in economics so that it can suitably be applied to education, in fact, when we try to apply the concept of cost to education, difficulties arise due to the production of education is not materialistic and it is considering as 'Public 'service' inherent nature of the activity of education. These difficulties are: the definition of 'production' resulting from education; the identification of the 'economic transactors' connected with education; and the fact that education has the character of a 'public service'.

The cost of an educational plan or innovation is often expressed in terms of its total cost to indicate the value of the total resources devoted to it. Unit cost is cost per educational unit, e.g., cost per student, cost per school, cost per teacher, etc. Cost per student may imply:

a) cost per student enrolled:

b) cost per student actually attending school; or

c) cost per student successfully completing a given course.

Educational costs may be divided into three categories: those related to the students; those related to the teachers; and those related to buildings and equipment. In a normal growing state, a composite unit including all three could be adopted. Unit costs are likely to rise due to changes in the price level, increase in learner population, rise in the educational standards, demand for education as well as the pressure for raising the level of school-going age. It is essential to break up the expenditure on education, both by the government and private institutions, into different components like recurring expenditure and capital expenditure. Recurring expenditure (or cost) as the name suggests takes place regularly at certain intervals. Capital expenditure or costs, on the other hand, are one time investments.

4B.3.4 Types of Costs:

The Unit Cost of Education:

The unit cost of education is cost per unit. The unit cost is generally calculated perstudent enrolled. But it may be calculated per graduated student, per-course, and perinstitution. It is arrived by dividing the total costs of education by the total number of students.

The Total Cost of education:

The total costs of education are the sum total of all the expenditures incurred by the students-parents and that incurred by the institutions/government/society. It takes in account all expenditures incurred towards salaries of teaching and non-teaching staff, amortized cost of buildings, equipment, and other materials of an educational institution; household cost of students on books, stationery, living in hostels, and cost of foregone earnings.

The Current cost:

The current costs include those expenditures which are incurred on current /regulatory based activities, such as payment of salaries of teachers and non-teaching staff; depreciation of buildings, equipment etc. If the expenditures should not be classified under the head of the current costs unless the part or all of such expenditures are used up during the current year.

The Capital cost:

On the other hand, consists of outlays incurred for future. The capital costs include expenditures incurred for developments of the infrastructures, construction of new buildings for classrooms, hostels, school-offices, laboratories, purchase of equipment, etc. If the use is extended beyond the current year, the relevant outlays should be considered as the capital costs.

The Direct Cost:

The direct cost of education consists of expenditures explicitly incurred by the students or their families and the educational institutions for education. The students and their families incurs expenditures on account of tuition

fees, books, additional costs of hostel, boarding, school uniforms/clothing, transportation to and from school, etc. The educational institutions incur explicit expenditures' on salaries of teaching and non-teaching staff, library books, capital outlay, equipment and chemicals for the laboratories. These and any other explicit expenditures on education are included in the direct costs of education.

The Indirect Cost:

The Indirect costs are often called as the opportunity costs of education. The indirect costs are also called as the Imputed cost. Unlike the direct costs, the indirect costs of education are implicit rather than explicit. The indirect cost of education consists of the costs of earnings forgone by the students. The students, instead of enrolling and attending school/college, could have taken-up a job and made some income. By attending the school, the student foregoes the income that he may have otherwise earned.

The Private Cost:

The private cost includes all expenditure incurred by the students-parents to meet

(a) the tuition costs,

(b) the non-tuition costs, and

(c) earnings forgone.

While estimating the tuition costs paid by the students, normally we deduct from the fees paid financial aids, scholarships, etc. received by a student. In other words, only the net tuition costs are included in the private cost of education. In the non-tuition private costs, we include items such as books, stationery, equipments, cost of maintenance of students (lodging and boarding), and transport.

The Social Cost:

The Social cost of education is sum total of the private and the institutional cost of education. The private cost consists of net tuition costs, non-tuition costs. The institutional costs consists of both the current or operating cost and the capital costs of education borne by the schools, or society.The opportunity cost or income foregone is not included in the computation of the total social costs of education to the whole society.

The Variable costs:

Whatever the production level, a firm always bears certain footed expenses viz., rent of premises occupied, maximum staff salary requirement, etc. and certain variable expenses which depend on the production level or, in other words, which vary according to the number of units produced. The variable cost includes school books, teaching staff salaries, etc.

The Fixed Cost:

For all practical purposes, expenditure on permanent staff salaries (both teaching and nonteaching) for permanent staff can be treated as fixed cost. In the case of a teaching establishment like a school or a university, the fixed expenses include, for example, the capital cost of the building, the equipment and harnessing or their corresponding annual rents, etc.

The Normative Cost:

Normative costs are generally laid down by the respective public authorities like the Central or State Government or local bodies. There are Cost in Education norms with regard to, for example, salaries. Salary scales of teachers, the number of students per teacher, total amount of money to be spent per teacher, etc. are planned on expected lines. But these norms may not necessarily match the cost or expenditure actually incurred.

The Actual costs:

Very often, it so happens that positive or actual costs prevalent for each level and type of education are different from the normative or expected or planned costs. The Actual cost is spent at actual level and as per norms. As per the social need time it can be occurred.

The Opportunity cost:

The cost of an alternative that must be forgone in order to pursue a certain action. Put another way the benefits you could have received by taking an alternative action.

Opportunity cost refers to what you have to give up to buy what you want in terms of other goods or services. When economists use the word "cost," we usually mean opportunity cost.

When economists refer to the "opportunity cost" of a resource, they mean the value of the next-highest-valued alternative use of that resource

The next-best alternative use for these resources:

Eg: A PTA tells a head-teacher it has some money for the purchase of microscopes. The head accepts with gratitude, although feeling that a higher priority would be to expand the basic equipment in one of the laboratories.

The Prime Cost:

Costs between resources related to a school’s prime educational function and those relating to its subsidiary administrative, transport and catering functions.

The Subsidiary cost:

The division of total school costs into such categories, with percentages for each, is important.

It makes it possible to monitor the percentage over years and see if the proportionate and actual expenditure on the subsidiary categories is shrinking or rising.

4B.3.5 Benefits of Education:

It is the value addition and technical upgradation of human resource so that it can foster the national productivity, growth and development.

Quantitative Benefits:

It can be expressed in terms of number of students educated and declared successful in the examination during the year of their education. It is necessary to make to students learn so as to succeeded in the examination and secure the pass certificate.

Qualitative Benefits:

It can be expressed in terms of 'Value Added' by the educational process. This is done by equipping the students with knowledge, skills, attitudes and social and behavioral norms. For this purpose, it is seen whether the aim of education have been fulfilled or not.

4B.3.6 Cost-Benefit Analysis:

The process of weighing the total expected costs vs. the total expected benefits of one or more actions in order to choose the most profitable option

Cost / benefit analysis: Concept, Meaning and Definitions:

The Corps of Engineers initiated the use of CBA in the US, after the Federal Navigation Act of 1936 mandated cost–benefit analysis for proposed federal-waterway infrastructure. The Flood Control Act of 1939 was instrumental in establishing CBA as federal policy, requiring that "the benefits to whomever they accrue [be] in excess of the estimated costs."

The term 'Cost benefit analysis' is a systematic comparison of the magnitude of the cost and benefits of some form of investment in order to achieve the economic profitability. Cost Benefit analysis is the process where the rate of return analysis on the cost invested in present.

Cost-Benefit has its origins in the water development projects of the U.S. Army Corps of Engineers. The Corps of Engineers had its origins in the French Engineers hired by George Washington in the American Revolution. Under these projects may kind of investments were made and analysed time to time and benefit or rate of return was analysed comparatively. Further, Academic economist discovered that The Corps had developed a system for the economic analysis of public investments.

Economists have influenced and improved the Corps methods since then and /cost benefit analysis has been adapted in most of the public decision making projects.

It is a technique that is used to determine options that provide the best approach for the adoption and practice in terms of benefits in labour, time and cost savings etc. (David, Ngulube and Dube, 2013).

The Cost Benefit Analysis is also defined as a systematic process for calculating and comparing benefits and costs of a project, decision or government policy relates to its present investments.

Mostly all sort of investments is nothing but a sacrifice of the present consumption in order to secure future benefits/returns in the way of better output or income. Cost-benefit analysis provides a means of appraising these future benefits in the light of the costs that decided to utilise at present. The purpose of such analysis is to provide a measure of the expected yield of the investment, as a guide to the rational allocation of resources.

The importance of such an analysis can be understood from its underlying assumptions given as follows:

1. Resources are scarce;
2. These scarce resources can be used for alternative purposes;
3. Decision makers want to use them in a rational way, i.e.,
4. Where they provide the maximum benefit; and
5. Their costs and benefits can be measured.

To the extent that these assumptions are not valid in any particular case, cost-benefit analysis will have its limitations. However, in practice, what we are taking into consideration is only a part of the costs and benefits involved. For instance, when a child goes to school, both the child and the parents have to spend a lot of time in effecting his/her education. Besides the time devoted to this which involves cost, certain other preparations like personality development, personal and social adjustment of the child also involve cost. The types of costs involved are intangible in value and cannot be measured in terms of money. Similarly, in the case of benefits, there could be certain non-pecuniary and intangible benefits accruing to both the individuals as well to society, viz. improved communication, social mobility, the pleasure of acquiring further knowledge, improved social adjustment, etc.

Therefore, in cost-benefit analysis, we take into account that part of cost and benefit which can be measured in terms of money. As you know, investment is made at the present to reap some benefits in thefuture. And investment is viable when benefit exceeds cost.

A generic cost–benefit analysis process has the following steps:

1. Define the goals and objectives of the action.
2. List alternative actions.
3. List stakeholders
4. Select measurement(s) and measure all cost and benefit elements.
5. Predict outcome of costs and benefits over the relevant time period.
6. Convert all costs and benefits into a common currency.
7. Apply discount rate.
8. Calculate the net present value of actions under consideration.
9. Perform sensitivity analysis.
10. Adopt the recommended course of action.
11. Evaluation

CBA attempts to measure the positive or negative consequences of a project. A similar approach is used in the environmental analysis of total economic value. Both costs and benefits can be diverse. Costs tend to be most thoroughly represented in cost–benefit analyses due to relatively-abundant market data. The guiding principle of evaluating benefits is to list all parties affected by an intervention and add the positive or negative value (usually monetary) that they ascribe to its effect on their welfare.

4B.3.7 Cost-Effectiveness:

Effectivenessis the fullest possible attainment of the goals and objectives of the school/Education, Improved performance, possibly against performance indicators, such as improved examination results or test scores (but only if this is not caused by some external factor such as improved quality of student intake), Improved student attitudes and behavior; Better parent and community relations,Improved school environment

Cost-effectiveness:

Relates efficiency to its cost. More cost-efficient – greater efficiency at the same cost or the same efficiency at lower cost.

A cost-effectiveness analysis includes a cost and effectiveness review. The accuracy of a cost-effectiveness analysis depends on the cost and effectiveness metrics it employs. On the other hand, there are considerable differences between the methods utilised to make these assessments.

Cost-effectiveness analysis (CEA) is a technique for measuring the relationship between the total inputs, or costs, of a project or activity, and its outputs or objectives. Both costs and effectiveness must be quantified, but it is not necessary to measure them in monetary terms. Cost effectiveness analysis, therefore, must be distinguished from cost-benefit analysis, which attempts to measure both the costs and benefits of a project in financial terms by means of a rate of return. Cost-effectiveness analysis was developed for the evaluation of public policy in such fields as military defence, where the objectives are clearly definable and measurable, but not in money terms. It has more recently been used for project evaluation for other areas of public policy including health and education.

The CEA is typically represented as a ratio, where the numerator is the cost of the gain and the denominator is the gain in from a measure. Quality-adjusted life years are the most often used outcome metric (QALY).To compare the cost-effectiveness ofthese interventions, calculate the incremental quality-adjusted life years(QALYs) produced by a health intervention, which is the denominator in a cost-utilityratio.

The idea of QALYs is illustrated in **Figure 1. Quality Adjusted Life Years**

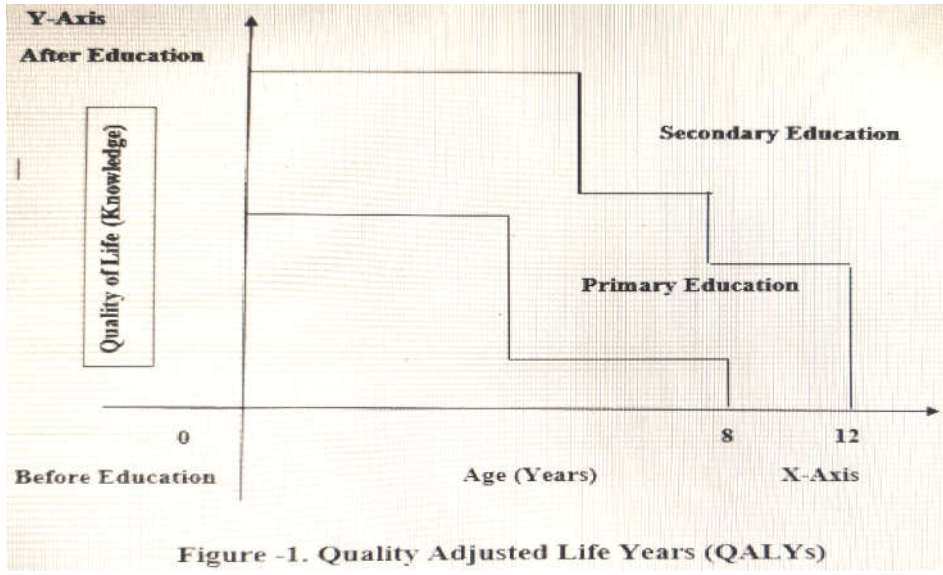

Figure -1. Quality Adjusted Life Years (QALYs)

The above figure 1. Quality Adjusted Life Years (QALYs) is focused on the educational levels i. e Primary to Secondary Level, where different educational programs/strategies applied in a effective manner and outcomes received after certain age are improved the Quality of life i.e. from age 8 to age 12 measured on X-Axis and Quality of Life with acquired Knowledge before and after the education on Y-Axis where Zero indicates Quality before Education and it improves in upward direction. The cost spent on effective strategies/programs at different levels is also considered with the growing age of a student for higher level of Education which improves the quality of life with rich knowledge.

The idea of cost-effectiveness is implemented to the making plans and control of many kinds of prepared activity. It is extensively used in lots of components of life like Educational need of life which is very essential for quality life. And after completion of each level of education Quality will be improved. But at each level the cost of education will be different and Secondary education will have proved better than Primary for Quality livelihood. The strategy applied at secondary education is more advance and approachable to the students to convert them a better citizen and trained human resource available for the societal as well as national growth.

The price paid-higher efficacy with the same or little-changed expenses, or lower costs with the same effectiveness. Spending on the school's promotion results in more students enrolling; purchasing increases the number of educational visits and off-campus learning opportunities. With little additional expense, peer tutoring raises student achievement. The relationship between inputs and outputs' quality and quantity are both factors that affect cost-effectiveness.

It takes into account decision alternatives for both costs and consequences, and attempts at (higher) achievement of predetermined objectives or targets within the given cost and as economically as possible. It also ascertains the most efficient means of attaining particular educational goals (Levin, 1995). And, even the qualitative improvement of outputs should be acirieved as economically as possible.

4B.3.8 Distinguish Between Cost Benefit Analysis and Cost Effectiveness:

(Reference to https://www.publichealthnotes.com/21-differences-between-cost-benefit-analysis-cba-and-cost-effectiveness-analysis-cea/)

Cost Benefit Analysis (CBA)	**Cost Effectiveness Analysis (CEA)**
Cost Benefit Analysis is an economic evaluation technique that compares the cost of the intervention with the benefit incurred, where the benefit is measure by monetary units	Cost Effectiveness Analysis (CEA) is an economic evaluation technique that compares ‘cost per consequence’ of two or more interventions, where the consequences are measured by “natural” units (life years gained, saved years of life)
CBA focuses on the monetary outcomes	CEA focuses on non-monetary outcomes
Here, both costs and consequences are measured in monetary unit	Here, consequences are measured by natural units
Net Benefit = Benefits – Costs	Cost effectiveness ratio (CER) = Cost of Intervention/Effect of Intervention

Outcome include: Net monetary benefit	**Outcomes include:** Years of life saved, hospital days prevented, number of deaths prevented, reduction in BP etc.
Cost-outcome comparison shows the 'net cost'	Cost-outcome comparison shows the 'Costs per Quality Adjusted Life Years (QALY)'.
As the CBA is based on the monetary terms, it is quantitative project evaluation technique	CEA is a mixed of both qualitative and quantitative evaluation techniques
It adopts broad societal perspective as it includes all costs and all benefits	It has its limitation on outcomes related to monetary value
After this analysis, an intervention should be chosen and undertaken if the benefit exceeds the costs	After this analysis, we can select the intervention which has higher natural units (life years gained, saved years of life etc.) as a consequence
Externalities are considered as well	Externalities are not considered
It is used to evaluate public expenditure programs designed to produce different outcomes.	Cost effectiveness analysis (CEA) compares the relative value of various clinical strategies that are designed to deliver the same or similar outcomes.
The results are presented in terms of ratio of benefit-to-cost and return on investment	The results are presented in terms of incremental cost per unit of effectiveness for interventions
The outcome is usually expressed as the difference in cost, net benefits	The outcome is usually expressed as the number of the life saved, decreased morbidity or mortality
For cost-benefit analysis, it is necessary to assign a monetary value to each year of life.	Cost-effectiveness analysis draws attention exclusively to health/education, etc. benefits, which are not monetized.
Net gains and losses are checked for the decision regarding any intervention.	Decision depends on the analysing if certain intervention has maximized the benefit obtainable from a given budget or minimized the cost to achieve the target.
Benefits obtained from CBA can be direct, indirect, or intangible.	CEA only focuses on the health/educational, etc. outcomes neglecting the non-health/non-educational, etc. outcomes.
The outcomes of CBA are already known.	Cost-effectiveness depends on long-term outcomes, which are not known.

Cost-benefit analysis helps to identify the best ways to achieve given outcome.	Cost-effectiveness analysis helps identify ways to redirect resources to achieve more.
CBA is suitable for evaluation of industrial projects, since monetary value can be easily calculated	CEA is more suitable for the service oriented organizations.
CBA is comparatively more complex as every matter needs to quantified and it also considers opportunity cost and time factor.	CEA is relatively easier to calculate than cost-benefit analysis as all the matters need not be quantified in monetary value
CBA is used at the executive level of government when considering regulatory proposals that would be costly to implement but that would have potentially large economic benefits to society	CEA considers the potential trade off and also helps in evaluation of the allocation of resources by characterizing the cost of health interventions per added unit of benefit.
The limitation of CBA is that: – Data collection can be complex for costs – Benefits in other forms than money cannot be assessed	The limitation of CEA is that: CEA doesn't make comparisons between the interventions producing different outcomes

4B.4 LET'S SUM UP

In this chapter we learnt that a budget is a financial plan that outlines expected income and expenses. It is crucial for both individuals and companies to manage resources efficiently. As a managerial process, budgeting entails creating and carrying out plans with an eye toward accomplishing organizational goals, particularly in educational establishments. Revenue creation becomes essential for growth and sustainability, and organizations can use a variety of self-funding techniques to help achieve their objectives. In contrast, cost management entails gathering and evaluating financial information in order to evaluate the effectiveness and worth of educational programs. By contrasting expenses with anticipated results, tools such as cost-benefit and cost-effectiveness analyses aid in the evaluation of educational investments; nevertheless, each approach has drawbacks, particularly when estimating indirect or long-term benefits.

4B.5 UNIT END EXERCISE

Q.1 Answer the following.

1. Describe what a budget is and how it is different from the idea of budgeting.
2. In educational planning, how can forecasting support the budgeting process? Give instances.
3. What are the primary goals and purposes of educational institutions' budgeting processes?
4. Describe the main procedures that go into creating a thorough budget.
5. Discuss the core budgeting ideas that guarantee efficient financial planning and management.
6. What are the new avenues for modifying budgeting procedures to meet the demands of contemporary education?
7. Describe the idea of equitable student-based budgeting and how it encourages equity in the funding of education.
8. Explain the Staffing-Based Budgeting model and assess its applicability in higher education and schools.
9. What are the methods used in education to generate revenue? Name two strategies that educational institutions employ to make money and describe them.
10. Using appropriate educational examples, distinguish between cost-effectiveness and cost-benefit analysis.

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