

# A Study on the Impact of Managers Style of Leaderships and Organizational Support towards Progressiveness-with Reference to Group of Hotels, Coimbatore

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**Abstract:** This study was aimed at analyzing the relationship between managers' leadership styles organizational support towards progressiveness although many people use the terms interchangeably, management and leaderships are not the same thing – and the nation's employers know the difference. This is why a majority of hiring managers seek applicants with a demonstrable ability to shift fluidly from one role to the other as the work environment may necessitate.

Employers in the hospitality industry, in particular, are hiring candidates with the training, experience and education necessary to master leadership challenges specific to the dynamic industry, which is undergoing somewhat of a renaissance as the economy stabilizes and the U.S. population rediscovers its appetite for fine foods, beverages, lodging and gaming.

Coimbatore was ranked the best emerging city in India by India Today in the 2014 annual Indian city survey. The city has been ranked 4th among Indian cities in investment climate by and ranked 17th among the top global outsourcing cities by Tholons.

Seasoned hospitality leaders know better, though, than to rely on upward economic trends to bring in business. The recent economic challenges the country has faced have instilled high expectations in the spending population, as middle- and working-class Americans appreciate the value of their hard-earned wages more than ever. Hospitality managers must be fully prepared to apply strong leadership skills to the various challenges of their industry in order to help keep their associates and their guests happy.

**Keywords:** leadership, organization, beverages.

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## 1. INTRODUCTION

### Background:

Today tourism is the largest service industry in India, with a contribution of 6.23% to the national GDP and providing 8.78% of the total employment. India witnesses more than 5 million annual foreign tourist arrivals and 562 million domestic tourism visits. The tourism industry in India generated about US\$100 billion in 2008 and that is expected to increase to US\$275.5 billion by 2018 at a 9.4% annual growth rate. The Ministry of Tourism is the nodal agency for the development and promotion of tourism in India and maintains the "*Incredible India*" campaign. Moreover, India has been ranked the "best country brand for value-for-money" in the Country Brand Index (CBI) survey conducted by *Future Brand*, a leading global brand consultancy. India also claimed the second place in CBI's "best country brand for history", as well as appears among the top 5 in the best country brand for authenticity and art & culture, and the fourth best new country for business.

In addition since the implementation of a new labor retirement system, the years that a worker serves for each company can be merged into his length of service for a retirement pension (**Council of Labor Affairs, 2005**). The possible causes of employees' resignation can be traced from organizational involvement. (**Steers, 1997**). Organizational commitment is deeply influenced by the leadership style of managers (**Chen, 1995**). Therefore, the leadership style of a manager is able to affect subordinates' organizational commitment and organizational commitment is related to a person's service attitude, passion, and willingness to work.

#### **Purpose of this study:**

Enthusiasm for customer experience, working as a team, reliability, honesty, and being proactive are the most important characteristics of the leader in the hospitality industry. On Bill Marriott's list of 12 Rules for Success he states that "it is more important to hire people with the right qualities than with specific experience.

- 1) To identify the general expectation in leadership styles of managers of international tourist hotels and the chain hotels, then compare the differences in leadership styles of the managers in this study.
- (2) To examine the differences in organizational commitment of the employees in international group of hotels.
- (3) To analyze the connectivity between the managers' leadership style in group tourist hotels and the employees organizational support.
- (4) To finalize the findings, as a reference, to group hotels and the departments of tourism and food service at hotel management colleges.

#### **Research Questions;**

- (1) What are the leadership styles of managers identified by following employees in international group hotels?
- (2) What are the indicators of organizational commitment of employees in group hotels based on the employees' background?
- (3) What is the major relationship between the hotels managers' leadership style in international group hotels and the employees' organizational involvement?

#### **Research Hypotheses-**

The continuing null hypotheses are recognized and tested at the 0.05 level of significance for major analysis.

1. There are no important differences in the leadership styles of managers of group hotels by employees' basis.
2. There are no important differences in the organizational support of employees in international group hotels by employees' basis.
3. There is no important relationship between a managers' leadership style in international group hotels and employees' organizational involvement.

## **2. RESEARCH PROCEDURE**

Firstly, the study used individual interviews which are vital to research background and motives. The research topics, scope, and purposes were finalized. The research frame was decided in accordance with information taken from the current literature. Secondly, a questionnaire was created and a pilot study was implemented to examine its reliability as well as validity. After modification, formal questionnaires were sent to the subjects in the sample. The data from the returned and useful questionnaires were collected and analyzed using standard statistical methods. Finally, the findings, conclusions, and suggestions of this study were explained and made available.

#### **Definition of Terms:**

##### **1. International group hotel:**

An international group hotel is built in accordance with the standards of construction and facilities of an international tourist hotel. Such a hotel is also evaluated as a certificated hotel through indians evaluation and classification system of international tourist hotels (Tourism Bureau, 2004).

## 2. Leadership style:

Hersey and Blanchard's (1988) situational leadership theory reflects that successful leaders adjust their styles depending on the readiness of the followers to perform in a given position. "Readiness" is based on how able, willing, and confident followers are in performing required tasks. The possible leadership styles include: (a) selling: a high-task, high-relationship style; (b) telling: a high-task, low-relationship style; (c) participating: a low-task, high-relationship style; and (d) delegating: a low-task, low-relationship style.

## 3. Organizational support:

Organizational commitment is one of those concepts that is used in a number of different ways. In most cases, we use the term to refer to a type of employee, that is, an employee with high organizational commitment. In this case, we generally refer to three observable patterns of behavior. When we see an employee exhibiting these patterns of behavior, we attribute these patterns to something we call *commitment* and we say that individual is committed. Based on Becker's (1960) early arguments, a number of empirical investigations have attempted to verify the proposition that individual investments into a particular organization act as a stabilizing or maintenance mechanism. Specifically, investments (termed "side bets" by Becker) are posited to decrease an individual's propensity to leave the organization. Investments can be thought of as contributions whereby a future gain from present participation is tied to continuance of membership (Kantor, 1968). In terms of inducements/contributions, there is a time lag in the exchange: the individual makes a contribution today in expectation of future inducements. This is posited to tie the individual to the organization, even when the individual becomes dissatisfied with aspects of the exchange. The concept of "paying dues" nicely captures this idea. Investments can also be viewed in terms of alternative opportunities forgone (Blau, 1967)

## 3. LITERATURE REVIEW

### Organization of international tourist hotels:

It can be grouped into two major departments including front-end business departments and back-end support departments. Business departments consist of room service section, restaurants, marketing section, and other business units. Support departments include personnel, general affairs, administration, purchasing, finance, and engineering units (Wu, 2000). The structure of small and medium hotels is simpler. One department can deal with several business areas, and one employee can have more than one task. In contrast, international tourist hotels belong to a larger scale and have a complicated organizational structure with more levels.

## 4. METHODOLOGY

To achieve the purpose of this study, a descriptive research design was used. Documentary analysis was executed in order to understand theories and studies of leadership.

This study made use of a questionnaire to collect data from the subjects employed in international tourism hotels. Thus, this study is classified as survey research.

### Sample:

The sample of this study consists of the employees (lower-level managers) of 17 international tourist hotels from 58 qualified international tourist hotels evaluated by the Tourism Bureau in India in 2004. By using stratified random sampling, these subjects were the lower-level managers of restaurants and room services and they were selected according to four regions: north, central, south, and east. The questionnaires were sent to all 390 subjects in the sample. Three hundred and fifty-one of them responded and 331 were useful. The useful response rate was 83.2%.

### Instrumentation:

The study was implemented through questionnaire survey. The draft survey instrument mainly consists of a leadership style inventory and an organizational commitment inventory. The leadership style inventory, including twenty items, was based on the Leadership Behavior Description Questionnaire (LBDQ) (Tu, 2003; Stogdill, 1963) and Supervising Behavior Description (SBD) (Fleishman, 1953). The organizational commitment inventory with twenty-five items was developed on the basis of the OCQ (Porter et al., 1974) and Organizational Commitment Inventory (OCI) (Lee, Chun, and Lin, 2000). A Likert five-point scale was used for the questionnaire.

A pilot study for the draft questionnaire was carried out in order to examine its reliability and construct validity. The results of the pilot study revealed that Cronbach's  $\alpha$  coefficients for the leadership style inventory and the organizational commitment inventory were 0.9437 and 0.9690, respectively, which showed a high degree of reliability. Item analysis revealed that in the leadership style inventory, only the Pearson correlation of item 19 did not reach the significant level of 0.05. And was consequently deleted. The results of factor analysis also showed adequate construct validity. However, through the pilot study and related analyses, the formal survey questionnaire involves three major parts: (a) leadership style inventory with 19 items, (b) organizational commitment inventory with 25 items, and (c) personal data

## **5. RESULTS AND DISCUSSION**

### **1. The Differences in Manager's Leadership Styles by Employees':**

According to the statistics concerning the employees' perception of managers' leadership styles, the delegating (empowerment) style was adopted most, followed by the selling (persuasion) style, participating style, and telling (command) style, respectively.

#### **The differences of employees' background in manager's leadership styles:**

(1) In terms of the gender, age, education level, position, and number of hotels served before, there is no significant difference in the leadership style..

It showed that leadership styles used by managers were not significantly influenced by employees' background variables.

(2) By the major subject, department serving, and length of service, there are significant differences in the manager's leadership style. Thus, the null hypothesis 1 that there are no significant differences in managers' leadership styles by employees' background is rejected. Managers generally adopt a 'telling' style for the employees with a tourism related major subjects. Compared with employees majoring in leisure management, a 'delegating' style is mostly used for the employees with majors in food, tourism, and other related subjects. There are significantly more managers with selling and delegating styles for the employees serving the department of room service than those for the employees serving the department of customer service. There is no significant difference in the leadership style between front-end respondents and back-end respondents in the restaurant service. In terms of working with managers with telling leadership, the number of employees with 16 years of service or longer is higher than that of those with three service years or less.

#### **The effect of top-level managers' leadership styles on the manager's leadership style:**

(1) Compared with top-level managers with a noninterference leadership style, the top-level managers with an authoritative style and a democratic style have significantly more subordinate managers with telling, participating, and delegating styles. A telling style is adopted most frequently by the managers when their top-level managers possess an authoritative leadership style. On the contrary, participating and delegating styles are adopted most frequently by the managers when their top-level managers possess a democratic leadership style.

(2) When top-level managers use an authoritative style and a democratic style: telling, participating, and delegating styles are significantly less used by their managers. This finding coincides with the Stogdill's study (Bass, 1990), that leaders utilize a noninterference style and seldom offer directions, supervision, and empowerment to their subordinates. Therefore, the organizational operation is in a loose status and managers are not able to use adequate leading strategy to reach organizational goals.

#### **The differences in managers' leadership styles by employees' region:**

(1) More managers adopt a telling style in the southern region than those in northern, central, and eastern regions. There may be a relationship between slow information circulation, slow pace of life, and insufficient readiness to reach goals.

(2) There are significantly more managers in the northern region who adopt a delegating style than in the central region. This may be caused by more international tourist hotels and more hotels belonging to international chains, and faster information circulation in the northern region. Furthermore, the greater resources in terms of capable employees with specialty in food and tourism, and the higher readiness of managers are other possible factors contributing to this result.

**The Differences in Organizational Commitment by Employees Background:**

According to the results regarding the employees’ perception to organizational commitment, the employees of international tourism hotels have a positive organizational commitment. They also show high effort but low retention commitment.

**The differences in organizational commitment by employees’ personal background:**

(1) The findings showed that the organizational commitment of employees of international tourism hotels was not significantly affected by the gender, education level, department, position, and number of hotels previously served.

(2) By the age, length of service and major subject, there is a significant difference in organizational commitment. Thus the null hypothesis 2, that there are no significant differences in organizational commitment of employees by their background, is rejected. The older the employees are, the higher their levels of organizational commitment. The employees with a longer length of service also express a higher level of organizational commitment. The employees who have graduated from non-tourism programs have more effort commitment than those majoring in home economics. The graduates majoring in food and tourism management, tourism business, leisure management, and Chinese and western food & cooking do not show superior performance in effort commitment.

**The differences in organizational commitment by top-level leadership style:**

(1) When the top-level leadership is a democratic style, the degree of the subordinates’ overall and effort commitments are significantly higher than those led by authoritative and noninterference leadership styles. The subordinates led by a democratic leadership style have a higher degree of value and retention commitments than those led by an authoritative leadership style. This finding implies that a democratic style has the highest degree of overall and effort commitments for subordinates and an authoritative style results in the lowest degree of overall and retention commitments for the followers.

(2) In terms of effort commitment, the employees led by a democratic style have the highest effort commitment, followed by those led by authoritative and interference styles.

**The correlation between leadership style and organizational commitment:**

As shown in Table, selling, participating, and delegating styles of managers have a significant positive relationship with employees’ organizational commitment. Therefore, the null hypothesis 3, that there is no significance relationship between managers’ leadership style and employees’ organizational commitment, is rejected. The correlation between the telling style and employees’ organizational commitment is not significant. The findings indicate that when managers use more selling, participating, and delegating leadership styles, the employees’ organizational commitment is higher. In contrast, the use of the telling leadership style does not strengthen the employees’ organizational commitment.

**Statistical Analysis-** The study utilized SPSS for Windows to analyze the collected data. The statistical procedures for quantitative research include factor analysis reliability analysis, descriptive statistics, t-test, one-way ANOVA, and the Scheffé test.

**Table.1. Correlation Coefficient between Managers’ Leadership Style and Employees’**

Organizational Commitment	effort	Commitment	Commitment	Commitment	value Commitment
Selling	105	.475**	.291**	.562**	.553**
Telling	39	.053	.063	.100	.093
Participating	44	.429**	.305**	.496**	.503**
Delegating	143	.497**	.455**	.411**	.508**

Table 2. Differences in Leadership Styles of Middle Level Managers and Employees' Organizational Commitment by Background Variables of Employee

Factors	Independent Variables									
	Background Variables of Employees									
	Gender	Age	Education Level	Major Subject	Dept.	Position	Length of Service	No. of Hotels served	Top Level Leadership	Region
<b>Leadership Style</b>										
Selling							*			
Telling				**			**		**	**
Participating									**	
Delegating				**	*				**	**
<b>Organizational Commitment</b>										
Value		**		*					**	**
Effort		**		**					**	**
Retention		**							**	**
Overall		**		*					**	**

Note: \*P<.05, \*\*P<.01.

Table 2. (continue)

Factors	Independent Variables			
	Manager's Leadership Style			
	Selling	Telling	Participating	Delegating
<b>Leadership Style</b>				
Selling				
Telling				
Participating				
Delegating				
<b>Organizational Commitment</b>				
Value	**	**	**	**
Effort	**	**	**	**
Retention	**	**	**	**
Overall	**	**	**	**

Note: \*\*P<.01.

## 6. CONCLUSIONS AND SUGGESTIONS

Based on the findings of this study, the following conclusions were drawn:

- (1) Most managers of international tourist hotels adopt a delegating style, fewer managers adopt selling and participating styles, and the telling style is least adopted. An employee's major subject, department, length of service, top-level leadership style, and region, have significant influence on a manager's leadership style.
- (2) The variables, including age, length of service, major subject, top-level leadership style, and region, have a significant influence on employees' organizational commitment.
3. (a), Under democratic top-level leadership, the subordinates have the highest degree in value, effort, retention, and overall commitments. On the other hand, under authoritative top-level leadership, the subordinates perform the least retention and overall commitments. The subordinates under noninterference top-level leadership have the least effort commitment.
- (b) The degrees of value, effort, retention, and overall commitment of employees in the northern region are higher than those in the central region. The degrees of value, retention, and overall commitment of the employees in the southern



region are higher than those in the central region. Compared with other regions, the employees in the central region have the lowest levels of the four types of commitment.

(c) While selling, participating, and delegating styles are utilized more often by the managers of international tourism hotels, employees have higher organizational commitment. The employees under a participating leadership style achieve the highest value, effort, retention, and overall commitments. On the other hand, a telling leadership style used by managers is not able to enhance employees' organizational commitment. Furthermore, the findings show that a telling style leads to the lowest level of the four types of organizational commitment.

**List of hotels approached:**

<b>Sree Annapoorna Hotel Coimbatore</b>
<b>Nilgiri's Nest Coimbatore</b>
<b>Sree Annapoorna Lodging Coimbatore</b>
<b>Hotel Cag Pride Coimbatore</b>
<b>Heritage Inn Coimbatore</b>
<b>Hotel Alankar Grand' Coimbatore</b>
<b>The Residency Coimbatore</b>
<b>Sugam Hotels Coimbatore</b>
<b>D'j' Vu Boutique Hotel Coimbatore</b>
<b>S.S. Hotels Coimbatore</b>
<b>D'j' Vu Boutique Hotel Coimbatore</b>

**Suggestions:**

Some relevant suggestions regarding international tourist hotels and the related college programs are provided as follows:

**(1) Suggestions for international tourist hotels:**

(a) The top-level decision maker should stress the 'leading' function as an essential factor in influencing their subordinates. It is suggested that top-level decision makers should adopt a democratic leadership instead of an authoritative or noninterference leadership.

(b) Managers ought to employ a participating leadership style. It is recommended that the leaders of restaurants and the department of room service should pay more attention to developing efficient team work and express warm concern and trust to coworkers through participating leadership.

(c) Based on the findings of the study, it is imperative to establish a sound system of benefits, promotion, and development in order to increase employees' organizational commitment, reduce labor turnover, raise productivity and improve service quality. This suggestion also meets the viewpoint of Sigauw and Ens (1999), that reasonable pay, a good benefits system, and systematic promotion are the necessary ways to maintain human resources.

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