



## IMPACT OF STRESS ON LEADERSHIP STYLES

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### ABSTRACT :

*The dynamic changes in modern economies have posed critical challenges to textile organizations in the form of competition, technological innovation, market orientation, and strategic approach to business performance, quality of goods and services. Everything now must be on the global scale and of global standard .This definitely leads to lot of stress in day to day work life for textile entrepreneurs. The researcher would specifically concentrate on increase in the level of stress post globalization for textile entrepreneurs in the Indian context and suggest remedies for good work life balance and increase efficiency of textile entrepreneurs. Entrepreneurs have to perform consistently in a challenging and competitive environment according to the strategic priorities of the organization. The pressures at all the levels of management are constantly increasing. If an employee performs constantly under stress his work efficiency is directly affected by relationship between entrepreneur and employees at workplace. Further stress at workplace may lead to burn outs and lot of other health problems which costs a lot to the organizations in terms of medical reimbursements and labor turnover which affects overall environment in the organization. This study would contribute towards enhancing awareness regarding how an entrepreneur can minimize stress and build good management relationships with all stakeholders in the organization. A suitable managerial style can therefore build better relationships and enhance output.*



**KEYWORDS :** stress, leadership, entrepreneurship, impact.

### INTRODUCTION:

The entrepreneur is an important input of economic development. Entrepreneurs of the present world are the wisest minds who have left behind an indelible mark on the history of mankind. According to Jean Baptists Say an entrepreneur is the economic agent who unites all means of production, introduces something new in the economy, unites the labor force, capital and land and finds value for the products he creates. He emphasizes on the functions of co-ordination, organization and supervision. The entrepreneur lifts economic resources out of an area of lower into an area of higher efficiency and greater yield by adopting different management styles. Textiles industry has been a core industry in the form of large scale textile mills and small scale manufactures contributing towards economic development of our country since ancient times. The textile entrepreneurs were flourishing in India post independence era but in recent times it is observed that textile entrepreneurs are facing lot many problems causing entrepreneurial stress.

Thus the role of entrepreneur is dynamic and responsible towards handling various activities in business solely. It is obvious that a multifold personality like him is expected to be constantly under stress. Measuring the level of stress and suggesting remedial measures to minimize stress which will help him to adopt a suitable managerial style would be the main objective of this research thesis.

### CHARACTERISTICS OF LEADERSHIP

1. It is a inter-personal process in which a manager is into influencing and guiding workers towards attainment of goals.
2. It denotes a few qualities to be present in a person which includes intelligence, maturity and personality.
3. It is a group process. It involves two or more people interacting with each other.
4. A leader is involved in shaping and molding the behavior of the group towards accomplishment of organizational goals.
5. Leadership is situation bound. There is no best style of leadership. It all depends upon tackling with the situations

### LEADERSHIP STYLES ADOPTED BY ENTREPRENEURS

- a) Autocratic/Conservative style.
- b) Directive style.
- c) Consultative style
- d) Democratic style.
- e) Coaching style.
- f) Quasi Professional Style.
- g) Methodical Style.
- h) Laissez faire style.

Gartner (1985) describes six common activities of Entrepreneurs: locating a business opportunity, accumulating resources, marketing the product and services, producing a product, building an organization and responding to government and society. Because of this lots of activities, entrepreneur face stress. It is surveyed that there is a vast difference between managerial and entrepreneurial stress. (Buttner 1992). Comparison have been made between the entrepreneurial role and other roles (win cent and ortquist 2009) such study revealed that the entrepreneurial role is unique and as such will be subjected to different stress types and level than other role types. A greater sense of responsibility may be present in the personality profile of an entrepreneur when contrasted to those working within an organization as often the entrepreneur has invested a large portion of personal asset into the new venture creation phase of their business entre must also engage in boundary spanning activities which are stressful and responsible for creating lot many diseases and health issues at an young age leading to problem of smooth functioning of SSI.

### OBJECTIVES:

1. To understand the nature of managerial styles adopted by textile entrepreneurs.
2. To examine implications of managerial styles on functioning of textile entrepreneurs.
3. To access the stress level of textile entrepreneurs and its impact on managerial styles.
4. To suggest measures for improvise managerial styles.

### METHODOLOGY:

#### Primary Data:

Primary data is first hand information collected from sample, subject experts, consultants, etc. Further the researcher can make use of following for primary data collection. As the research study is mainly concerned with the employees working in textile industries in solapur, the data of 200 textile entrepreneurs is collected by using simple random sampling method as well as 50 employees the satisfaction of employees with various managerial styles adopted by textile entrepreneur.

1. Questionnaire
2. Personal interviews
3. Observation method

**SAMPLING TECHNIQUE:-**

Sampling is very important aspect of research and thus due care has been taken by the researcher to select adequate representative part as sample from total population. The researcher has identified 228 small scale textile entrepreneurs based on random sampling technique in and around the city of Solapur. The textile entrepreneurial establishments are spread over 3 major MIDCs (Chincholi MIDC, Akkalkot MIDC and Hotgi Road MIDC) around Solapur City and few others from Solapur district.

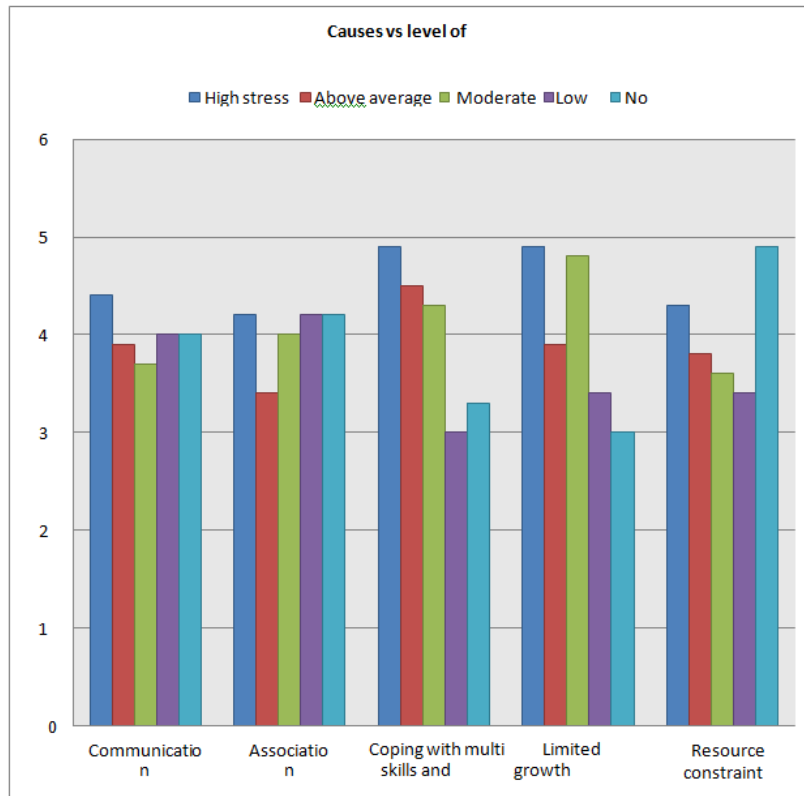
**Data Analysis:**

**TABLE 1: ANOVA FOR STRESS LEVEL AND CAUSES**

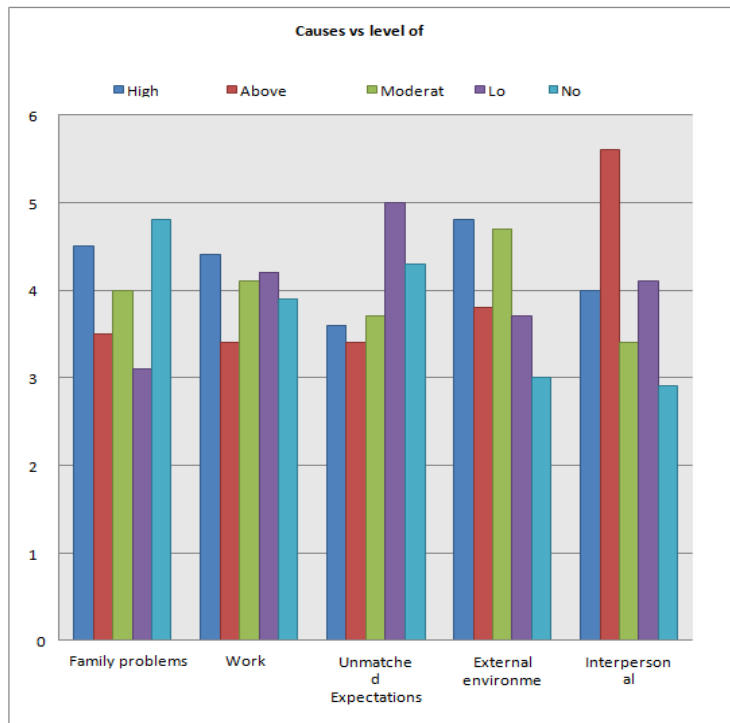
SECON DARY CAUSES		N	Mean	SD	df	Mean Square	F Value	Sig	Result
<b>Stress Level * Communication gap</b>	High stress	44	1.50	1.002	4	142.36	4.353	<b>.751</b>	<b>Accept</b>
	Above average	39	1.26	1.169					
	Moderate	37	1.23	.742					
	Low	40	4.07	.862					
	No stress	40	3.88	.871					
<b>Stress Level * Association support</b>	High stress	42	4.02	.867	4	319.52	1.643	<b>.003</b>	<b>Reject</b>
	Above average	34	3.67	.892					
	Moderate	40	3.00	.852					
	Low	42	4.11	1.250					
	No stress	42	4.18	.954					
<b>Stress Level * Coping with multi skills and tasks.</b>	High stress	49	4.27	1.026	4	336.27	.634	<b>.001</b>	<b>Reject</b>
	Above average	45	4.19	1.007					
	Moderate	43	4.27	.892					
	Low	30	1.89	.982					
	No stress	33	2.02	1.120					
<b>Stress Level * Resource constraints</b>	High stress	49	2.10	1.011	4	387.23	1.472	<b>.002</b>	<b>Accept</b>
	Above average	39	2.02	1.040					
	Moderate	48	1.82	1.008					
	Low	34	2.63	.786					
	No stress	30	2.77	.823					
<b>Stress Level * Work life imbalance</b>	High stress	43	2.85	1.214	4	753.21	2.456	<b>.001</b>	<b>Reject</b>
	Above average	38	2.89	.814					
	Moderate	36	2.55	1.012					
	Low	34	1.89	1.007					
	No stress	49	1.99	.892					
<b>Stress Level * Family problems</b>	High stress	45	2.18	.917	4	421.37	.384	<b>.631</b>	<b>Accept</b>
	Above average	35	1.91	.723					
	Moderate	40	1.80	1.026					
	Low	31	1.87	1.007					
	No stress	48	3.67	1.012					

<b>Stress Level * Work culture</b>	High stress	44	3.00	1.007	4	379.21	.596	<b>.564</b>	<b>Accept</b>
	Above average	34	4.11	.892					
	Moderate	41	4.18	.917					
	Low	42	4.27	.723					
	No stress	39	4.19	.982					
<b>Stress Level * Unmatched Expectations of employees</b>	High stress	36	4.27	1.271	4	679.24	.631	<b>.643</b>	<b>Accept</b>
	Above average	34	2.04	1.281					
	Moderate	37	2.18	1.205					
	Low	50	1.35	1.249					
	No stress	43	2.02	1.214					
<b>Stress Level * External environment</b>	High stress	48	1.34	.814	4	342.69	.587	<b>.002</b>	<b>Reject</b>
	Above average	38	1.54	1.012					
	Moderate	47	2.02	1.007					
	Low	37	2.13	.892					
	No stress	30	2.02	.917					
<b>Stress Level * Interpersonal relations</b>	High stress	40	1.81	.723	4	472.31	.497	<b>.001</b>	<b>Reject</b>
	Above average	56	1.69	1.026					
	Moderate	34	1.02	1.007					
	Low	41	4.27	.892					
	No stress	29	1.89	.982					
<b>Stress Level * Technological changes</b>	High stress	39	2.02	1.549	4	257.54	1.672	<b>.000</b>	<b>Reject</b>
	Above average	56	2.10	1.120					
	Moderate	42	2.02	1.011					
	Low	28	1.82	1.040					
	No stress	35	2.04	1.008					
<b>Stress Level * Cost cutting /Downsizing/Restr ucturing</b>	High stress	47	2.18	.786	4	364.39	.537	<b>.001</b>	<b>Reject</b>
	Above average	42	1.35	.823					
	Moderate	44	2.02	1.026					
	Low	37	1.34	1.007					
	No stress	30	1.54	.892					
<b>Stress Level * Improvement in quality</b>	High stress	40	2.02	.847	4	438.21	.387	<b>.781</b>	<b>Accept</b>
	Above average	28	2.13	.913					
	Moderate	35	2.02	.516					
	Low	47	1.81	.492					
	No stress	50	1.69	.310					
<b>Stress Level * Ergonomics (Job design and layout)</b>	High stress	45	1.02	.000	4	643.28	.600	<b>.003</b>	<b>Reject</b>
	Above average	43	1.10	.729					
	Moderate	40	2.64	.844					
	Low	35	1.82	.911					
	No stress	37	1.67	.966					

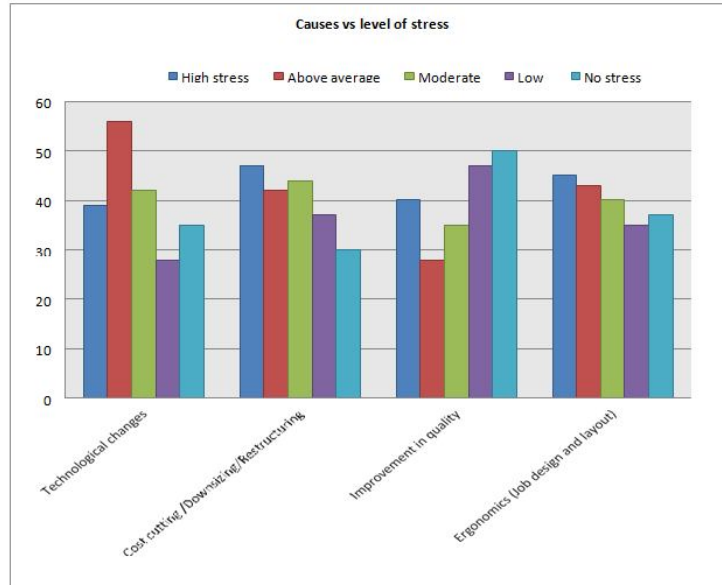
**Graph 1: STRESS LEVEL VS SECONDARY CAUSES**



**Graph 2: STRESS LEVEL VS SECONDARY CAUSES**



**Graph 3: STRESS LEVEL VS SECONDARY CAUSES**



**DISCUSSION:**

1. Skilled and trained labor are important to maintain quality of products and meeting the prescribed standards of exports. As the labour quality is poor and there is shortage of skilled manpower it creates stress among entrepreneurs and so they adopt autocratic managerial style.
2. Financial constraints, recent changes in tax policies and working capital have also become one of the major cause of the stress among entrepreneurs in Solapur city.
3. Work overload cause stress to textile entrepreneurs and have impact on their managerial style. The null hypothesis is rejected as it is observed that majority of the entrepreneurs are managing all the functional areas like production, finance, marketing, R and D, exports individually, which is a major primary cause for job stress.
4. Competition is also one of the major primary cause of stress. It found that the entrepreneurs from Solapur city are adopting traditional power-looms to manufacture their products. Thus, the quality of products is having tough competition in foreign market which is leading to high level of stress.
5. An entrepreneur is responsible for the safety of his/her employees. It is observed that maintaining safety measures has become one of the primary causes for increasing the level of stress.
6. Lack of managerial knowledge don't have any relation with the stress level, both the gender of entrepreneurs are not feeling any stress due to the managerial skill, the basic skill are sufficient for the business.
7. Attrition rate and salary expectations of the employees does not affect significantly on stress level of the entrepreneurs. At times, entrepreneurs face the problem regarding employees expectations regarding PF, strike and family problems but all these factors are seemingly managed by the textile entrepreneurs.
8. According to hypothesis testing, cost of production does not have any relation with the stress of entrepreneurs. Hence, it cannot be a primary cause for enhancing stress among textile entrepreneurs.
9. As majority percent of textile entrepreneurs are adopting Autocratic and methodological Managerial Style, they are experiencing High Level of Stress and this has direct impact on managerial style of textile entrepreneurs such as conflicts with employees, poor interpersonal relations, increase in attrition rate etc.

**CONCLUSION:**

1. From the above research study and data analysis along with hypothesis testing we arrive at conclusion that there is high impact of stress on managerial styles of textile entrepreneurs.
2. Data analysis proves that more than 50% of the textile entrepreneurs are experiencing stress as they are adopting traditional style of management.
3. Entrepreneurs agree that they are adopting methodological (Family oriented) and autocratic style of management. Thus industrial relations between entrepreneurs and employees are not favorable.
4. The income of textile entrepreneurs is quite low as compare to textile entrepreneurs in Mumbai & Ichalkarnji which is 3 times more than textiles entrepreneurs in Solapur.
5. The recent decision of government to impose GST for textile entrepreneurs has further hampered the profitability and increased cost of production.

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