Impact of Leadership on Team Work, Culture, and Emotions and Moods of Employees: A Case Study in a Government Bank in Sri Lanka

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Abstract

Organizational behavior is the study of how people behave both individually and within informal and formal groups, and in organizations. Every organization's performance is ultimately dependent on the motivational level of its human resources and the willingness and ability of people to work harmoniously and effectively towards the accomplishment of shared goals. Identifying the organizational behavior concepts is more important to make resolutions for the issues that emerge within organizations. Banking industry is an industry where problems are intense and the management should understand the human behavior in order to manage them to excel in the competitive market. Culture, emotions and moods, and teams are much more important concepts in Organizational Behavior and the banks and the leaders therein must have knowledge on these concepts in order to achieve the goals and objectives effectively. This articleis developed by identifying an issue which occurred in a government bank in Sri Lanka and the case has been analyzed through culture, emotions and moods, and teams which are important perspectives of Organization Behavior.

Key Words: Emotions, Team Work, Culture

Introduction

Issues are inevitable wherever human beings exist, as the behavior, attitudes, emotions, thinking pattern, and perception are different from each other. So, it is important to understand each other. Accordingly, this article is based on an issue in a government bank in Sri Lanka and the company name is withheld. Even though the efforts put towards achieving the success of the bank, issues are inevitable. As the every human being is no alike, there are several problems that will occurred in an organization, it is the same in this bank as well.

The case is analyzed through organizational behavior perspectives namely, culture, emotions and moods, teams.

Introduction to the Organization

ABC Bank is a leading government bank in Sri Lanka, established with the objective of improving the living standards of the rural masses by providing them accessible and affordable credit/loan facilities which contribute to strengthen the rural economy and the lives of the rural people. The focus of the bank is 'barefoot banking concept', where the bank is in the process of attempting to provide innovative and simple financial services to the middle and low-level income holders. The bank is keen on empowering its' customers in the micro, small and medium scale industries, women as well as the agriculture, livestock, and fisheries industries, who contribute towards the country's economic development. Bank has also taken steps to inculcate the savings habit amongst the rural people providing higher returns on savings and fixed deposits, and encourages schoolchildren and minors to save. Currently the bank has established an over 4 million customer base with 266 branches all over the country covering all corners with more than 3,000 staff members.

The bank is carefully trying to drive the workforce towards an atmosphere where the customers are satisfies with the bank by developing long lasting relationships with customers where the employees are hold the hands with the customers as a family.

To provide a extensive service to the customers the head office comprises of five divisions as; Human Resource Development and Administration, Information Technology, Credit and Recovery, Risk Department and Finance and Planning. These departments work together to enhance the customer as well the employee satisfaction and performance of the employees to drive towards achieving the goals and objectives of the bank.

Issue

As the bank is to enhance their customer base and improve facilities to the customers, the top management of the bank has decided to implement a core banking system where all the branches are connected together thorough a network which costs about 30 million rupees. This core banking system will enhance the transaction facilities of the customers where they can access to their accounts in any branch within the country and customers can debit money through an automated teller machine with debit cards.

The total responsibility of the installation of this core banking system is up the Information Technology department of the bank. Hence, the corporate management decided to strengthen the IT department by recruiting talented workers to be success in installing the core banking system. First they recruited a Deputy General Manager (DGM) who is a engineer in the information technology stream and with a respective years of experience in the field. Next, they decided to recruit a Network Administrator, System Administrator and a Data Base Administrator who will show the path and handle the IT team for the new installation. This recruitment procedure conducted more carefully by identifying academic, professional qualifications and with vast area of experience in installing such a big system. Also they have promoted two chief managers in the IT department, placed two management trainees, five banking assistants within the bank to the IT department and recruited two trainees who have IT knowledge from outside to help in the installation.

As the corporate management of the bank was satisfied with strength of the team, the core banking system installation was started. It was a task with a huge risk as the migration of the data to a new network amalgamated with a wide range of secret information. If there an error occurred during system migration, the risk of corrupting the data can be encountered which is a huge risk. In addition the system worth 30 million rupees, which cost a huge amount of money. So that the team had to put their fullest effort to success in installing this new core banking system.

But while the way of installing the system, some issues were coming in to the surface. People had started to show their true colors, which not showed in the selection interviews. The DGM was a person who never takes responsibility for anything happen/done in the department and he was the sole authority to take decision within the department. No member in the department had got the chance to suggest and they have to listen and accept what the DGM decides. Always he was trying the pass the bucket to another person. Although he was a engineer in the IT field, he doesn't have much knowledge regarding installation

of the core banking system. Yet the DGM was listening to the tales told by others and he believed those tales. Not only that he tried to take revenge from those people who show good colors in the department by listening to tales from a one management trainee who has negative attitudes. So the people who have poor attitudes in the department take the advantage from this behavior of the DGM and started to make trouble to the dedicated people in the department.

In addition to that, the DGM never helps or speaks on behalf of the subordinates in the department at any moment, and he never appreciates for the good work done and never encourages them at all. Also, everyone in the department should obey to his words, no one can raise a word against him at any second, if such thing happened he definitely takes actions against that person by blaming them in front of others, giving work which not suits for the position and humiliates the subordinates. Furthermore, if a subordinate works in a satisfactory manner, the DGM gives all the burden of work for that person which is unbearable and consequently the employee got stressed, frustrated and dissatisfied. Also there was no any system to focus and measure the employees performance in the IT department and there were only focusing on implementing the processes. As this was a government bank, the structure was rigid and burocratic, the DGM was using his legitimate power, so that the subordinates not given the chance to express their selves much.

The members of the department were frustrated and not supported each other, which was a huge impact on the installation of the new core banking system. They were not able to manage their emotions, so that they were against each other, not being together for the installation and not having a good relationship with each other. As they were not able to respect others emotions, the members of the department were quarrelling, each other, making problems for others, manipulate the DGM's emotions and use his emotions to make troubles to the people in the department. So, managing emotions as well as moods were also in a poor manner.

It department was in the process of installing the new core banking system which is a huge change for the exiting culture. A new technological change is to implement within the bank, as this change is very important to have competitive edge in the market. As the bank was a government organization and the people were use to the status quo. They were not in a situation to change them or to convert them in to a new technological interface. Every member of the bank should support for this change to be successful, otherwise installing the core banking system will not be successful. But there were no support from the ground level to up, since they were no willing to change.

Also IT department should work as a team, because this change of the technology associated with huge risks. So, everyone should take the responsibility to every task of the installation. But since the people of the department and the bank does not possess positive attitudes, they were not willing to work as a team and also most of the tasks are designed around individuals, but not teams.

So that most of the people of the IT department who genuinely supported for the installation were frustrated, stressed and dissatisfies as the DGM and the others doest possess good attitudes. In addition, they have never managed their emotions in a positive manner. Although some were working hard others were to passing the bucket where does not possess a teamwork and that leads to dissatisfaction and frustration. Nevertheless, people were rejecting to adopt the new change as they valued the status quo and there were not a good culture within the organization. With these all issues, ultimately what happened was the most talented chief manager, and the network administrator who make their best effort in installing the system, left the bank. This puts the bank in crisis where the others were not able to install the system successfully and lost 30 million rupees which was a huge loss.

Literature review

Culture

Organizational culture refers to a system of shred meaning held by members that distinguishes the organization from other organizations (Robbins & Judge, 2013). Organizational culture has been defined as patterns of shared values and beliefs over time which produce behavioral norms that are adopted in solving problems (Owens 1987, Schein 1990 as cited inMarcoulides & Heck, 1993).

There are seven primary characteristics of an organization's culture. They are,

- Innovation and risk taking: the degree to which employees are encouraged to ne innovative and take risks.

- Attention to detail: the degree to which employees are expected to exhibit precision, analysis, and attention to detail.

- Outcome orientation: the degree to which management focuses on results or outcomes rather than on the techniques and processes used to achieve them

- People orientation: the degree to which management decisions take in to consideration the effect of outcome on people within the organization

- Team orientation: the degree to which work activities are organized around teams rather than individuals

- Aggressiveness: the degree to which people are aggressive and competitive rather than easygoing

- Stability: the degree to which organizational activities emphasize maintaining the status quo in contrast to growth

These characteristics exist in a continuum from low to high and give a picture of the culture of an organization and basis for shred understanding members and how things are done.

Most of the large organizations have dominant culture and a sub culture where dominant culture expresses its core values and the majority of members share those values, and sub cultures tend to develop to reflect common problems or experiences members face in the same department or location. In a strong culture, the organization's core values are both intensely held and widely shared. The more the members accept the core values the greater their commitment towards the organization and also turnover will be reduced by developing the strong culture within an organization.

Creating an Ethical Organizational Culture

If the culture is strong and supports high ethical standards, it will have a powerful influence on employee behavior. The following principles help the managers to create a more ethical culture within the organization. Be a visible role model: employees make the top management as a benchmark for appropriate behavior. Therefore, the management should be a role model for the employees of the organization, Communicate ethical expectations: the management should reduce or minimize the ethical ambiguity by sharing the organizational code of ethical that states the organizational values and ethical behavior which employees must follow, Provide ethical training: organize seminars, workshops and training programmes to motivate the employees to follow the organizational standards of conduct, clarify the practices and to address the ethical problems of the organization, Visibly reward ethical acts and punish unethical acts: appraise the employees and visibly rewarding them and punishing for unethical acts is more important is that the employees

will be attentions towards the ethical conduct of the organization, and Provide protective mechanisms: the organization should develop proper mechanisms to discuss the ethical problems and report unethical behaviors to the management.

When an organization creates a positive ethical culture within the organization, the employees will be motivates and also be satisfied consequently enhance their job performance.

Creating a Positive Organizational Culture

A positive organizational culture emphasized building on employee strengths, rewards more than it punishes and emphasized the individual growth. To create a positive culture we can Build employee strengths: a positive organizational culture helps the employees to capitalize and discover their strengths by reducing their weaknesses, Reward more than punishing: most of the organizations focuses on the extrinsic rewards such as pay and promotions. But the organization with a positive organizational culture uses power of appraising where employees are more satisfied and Emphasize vitality and growth: a positive organizational culture helps the employees to contribute to the organizational effectiveness personally and professionally by recognizing the job as well as the career of the employees. This will enhance the creativity and growth of the employees.

organizational culture reflects the orientation of classical management theory toward the goals of the organization and how tasks must be best organized to meet those goals (Mackenzie 1986, Thompson 1967 as cited in Marcoulides & Heck, 1993). Bolman and Deal (1984) argue, effective organizations share a variety of attributes involving their cultures (Marcoulides & Heck, 1993). The bureaucratic culture that dominates these organizations is not the culture most conducive to the creation of employee commitment, job satisfaction, and work-group cohesion (Odom, Boxx & Dunn, 1990). According to Gupta (2001) cited in (Khan & Afzal, 2011). Organization strategies have connection with the culture, which in turn affects the performance. Robbins (2002) believes that stronger the culture, greater is the impact of organization perceptions on performance. Kotter and Heskett (1992) believe that firms with strong culture outperform other firms lacking values. Rashid, Sambasivan and Johari (2003) suggest that corporate culture and organization commitment influence the organization performance (Khan & Afzal, 2011).

Emotions and Moods

Emotions are inevitable part of a human being. Emotions are the intense feelings directed at someone or something. Moods are less intensive feeling than emotions and often arise without a specific event acting as a stimulus. Affect is a generic term that covers a broad range of feelings people experience including emotions and moods (Robbins & Judge, 2013). Many researchers have agreed on six essential universal emotions, which are anger, fear, sadness, happiness, disgust and surprise.

There will be emotional dissonance in every person means inconsistencies between the emotions people feel and the emotions they project. Emotion regulation refers to deliberate attempts ''to influence which emotions we have, when we have them, and how these emotions are experienced or expressed'' (Gross, 1998, p. 224) and is deployed in response to discrepancies between how someone currently feels and how they either want to feel or should feel (Carver &Scheier, 1990) cited in (Niven, Sprigg, & Armitage, 2012). So that, the emotional labor takes place where a situation in which an employee expresses organizationally desired emotions during interpersonal transaction at work. Emotion regulation is viewed as a means of dealing with aversive emotions; people use it to help them achieve the emotion state they want to feel (Carver &Scheier, 1990) cited in (Niven et al., 2012). Emotional Labor is critical to individual and organizational outcomes, ranged from employee health and psychological well-being to customer service performance, customer orientation, and customer satisfaction (Grandey, 2003; Groth et al., 2009; Karatepe et al., 2009; Lam and Chen, 2012). Cited in (Kim, 2012).

There are several strategies to regulate the emotions. Automatic emotion regulation (see Ashforth& Humphrey, 1993: genuinely felt emotions; and Hochschild, 1983: passive deep acting) is executed effortlessly: It is the regulation of inner feelings and visible behavior, like facial and body gestures, in an automatic mode because a desired emotion is automatically elicited by the situation (Zapf, 2002). If the required emotion is not felt automatically, there are further possible emotion regulation strategies. One possible strategy, called deep acting, is the regulation of inner feelings to match one's emotion display and the emotions required. Another possible strategy is surface acting, which is defined as the regulation of visible behavior in order to match one's emotion display to the emotions required while inner feelings remain unchanged (Hochschild, 1983) cited in (von Gilsa, Zapf, Ohly, Trumpold, & Machowski, 2013).

Emotional intelligence (EI) refers to the ability to perceive and understand emotional information, and to generate and regulate emotions that promote emotional and intellectual growth (Salovey and Mayer, 1990) cited in (Kim, 2012). EI enhaces the capability of the individual in dealing with emotional issues effectively. Awareness of emotions results in the ability to manage emotions and influence workplace relationships (Yang and Mossholder, 2004 cited in Self awareness in the fundamental in emotional intelligence. Emotional intelligence is a person's ability to identify and perceive emotions in themselves and in others, and to understand and manage those emotions effectively (Hopkins & Yonker, 2015). Prior empirical studies report that emotional intelligence is correlated with overall job performance and the influence of emotional intelligence on team performance has also been found to be considerable (Hopkins & Yonker, 2015).

Work Teams

literature recognizes that teams increase, at least, employee satisfaction and commitment to organization (Stewart and Barrick, 2000) cited in (Piña, Martínez, & Martínez, 2008). Work group is that interacts primarily to share information and make decisions to help each member perform within his or her area of responsibility. Work team generates positive energy through coordinated effort. This individual effort results a greater level of performance than sum of those individuals performance (Robbins & Judge, 2013).
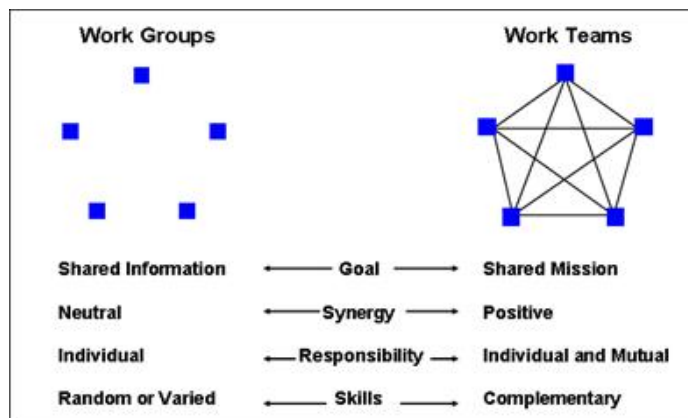

Fig: 1   *Source: (Robbins & Judge, 2013)*

Robbins and Judge (2013) described four common types of teams in an organization. They are; **Self-management work teams**, where group of employees who perform highly related interdependent jobs and take many of the responsibilities of their supervisors, **Problem solving teams**, focuses on figuring out a problem and discuss the ways to improve quality, efficiency and working environment, **Cross-functional teams**, which employees from the same hierarchical level but different work areas/functions come together to accomplish a task, and **Virtual teams**, that use computer technology to tie together but not meeting physically to achieve a common goal.

Attitudes play a major role in performing teams and achieving the tasks effectively. Negative team experiences create negative attitude toward teamwork that are transferred to the workplace (Krug, 1997) cited in (Ulloa& Adams, 2004). Adams et al. (2002) cited in (Ulloa& Adams, 2004), in their study for understanding team effectiveness identified seven characteristics as the main elements that need to be present in the process of teaming in order for the team to be effective. These characteristics are productive conflict resolution, mature communication, role clarity, accountable interdependence, goal clarification, common purpose and psychological safety. Team effectiveness is defined as performance and

employee satisfaction (Ulloa & Adams, 2004). Also the organization should provide adequate resources, better leadership, develop a climate of trust and performance evaluation and reward system to be success in teams and enhance its effectiveness.

Analysis

The organizational culture has a strong impact on organizational performance as well as the employee commitment, job satisfaction and team cohesion. The ABC bank does not possess a positive culture, which promotes ethical and positive conduct of the employees. The DGM and corporate management had not been role model and they have not communicated ethical conduct within the organization. Also, the employees are not rewarded for ethical conduct and at the same time not punish for the unethical behavior. The management has never pay attention to build up the employee strengths, which the employees have made frustrated. In addition to that the management or the DGM had not praised any of the employees for the good work done. These factors show that the ABC bank does not exhibit a positive organizational culture, which promotes the employee's commitment, satisfaction and team effectiveness.

Managing and identifying emotions is really important to enhance the performance of the individual as well as the organization. The bank has never provided guidelines in managing emotions, as their culture was not in a status to respect each other's emotions. DGM and some of the members of the IT department were displaying their emotions without thinking about others. They had thinking about their emotions only and had never regulate or manage their emotions. Never pay empathy towards others by identifying the others emotions. Therefore, the members of the bank was frustrated with each other ultimately affect the commitment and the satisfaction of the employees.

As the ABC bank in going towards a technological change, the IT department should work as a team to enhance the cohesiveness rather than working as a group. The people in the department does not possess team attitudes, leads them to work as individuals as they much more individualistic. Also, the management or the DGM never supports to build a team culture within the department. They have never enhanced the communication channels between the employees. In addition, DGM never clarifies the goals to the department, and he himself does not take the responsibility or no accountable for the work done in the department. So, the members don't feel psychological safe within the department leads them to work individually and ultimately fail in the goals achievement.

Recommendations

The ABC management should promote a culture where it promotes the mechanisms for strengthening the employees with a proper appraising system. Also, they have to communicate their ethical conduct as well as values of the organization. First, the management and the DGM should be a role model for the employees by respecting the values of the employees and respecting to the culture of the organization. Nevertheless, the management and DGM should apprise the employees which will enhance the moral of the employees consequently enhance the commitment and the satisfaction. In addition, the bank should provide the employees the room for growth by providing several training and development programmes and the bank should promote innovations, risk taking, team orientation, and focus on the outcomes which leads achieving the organizational objectives effectively and efficient manner.

The bank should develop a systems to establish emotional intelligence and emotional regulation within the employees and should promote the employees to identify the inner feelings while indentifying others and respecting them. The cooperate management should hire the employees who has higher rate of emotional intelligence, and they have to ensure

that the decisions are taken when they are in a positive mood. If they have taken the decisions in a negative mood, the decision will be a disruptive one. In addition to that, by having emotional intelligence that leads to motivation, better customer satisfaction, and also enhance the citizenship behavior while improving the employee commitment and satisfaction and develop a positive working environment at the end.

The ABC bank should provide developing teams for specific purposes. So that, the achievement of the tasks will be ensured through the team cohesiveness. First of all, the DGM and cooperative management should posses better leadership qualities as well as take the responsibilities for the tasks done within the bank or the IT department. Then they have to clarify the goals and provide adequate resource to achieve the goals defined. Also, the bank should make mechanism that members of the bank promotes integration and accountable interdependence and develop measures for the conflict resolution within the bank. Nevertheless the IT department does not had any processes to measure the performance or a better reward system, so that the only few of were performing and the performers were not appreciated and rewarded. That should not happen in team culture. The bank should do all the above processes to enhance the teamwork within the bank and enhance the commitment and performance of the employees which leads to the employee satisfaction and retention of the employees. If the bank practices these practices, the employees feel psychosocially safe within the bank.

Conclusion

Considering about all the facts discussed above, ABC bank does not possess a positive culture with positive attitudes, also they are unable to manage the emotions in an effective manner. Not only that the bank members are not working as team to accomplish the tasks within the department. Because of that they have failed in installing the core banking system which cost a huge amount of money and also they have lost dedicated and productive employees. This is also a huge loss for the bank. So that the ABC bank should develop a culture where the members display the positive attitudes with team mind set. Also the bank should develop a culture where employees of the organization values and respect the emptions of every member. If the bank develop practices in developing a positive culture with managing emotions and teams the bank can goes ahead by achieving their agreed goals and objectives in an effective and efficient manner.

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