Leadership Potential of Business School Students Using Leadership Profile Indicator

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Abstract

Leadership is currently one of the most talked about issues in business and organization. It is defined by Steven M. Smith as "*Leadership is the ability to adapt the setting so everyone feels empowered to contribute creatively to solving the problems*". Leadership reflects the ability of the person to do something based on his talent and skill. Sometimes talent isn't completely necessary; it is the training, experience and persistence that make individuals great leaders. As each individual is different, the leadership style adopted by each one is different. The decision that each person takes as leaders in each situation is different. It may be depending upon his reaction to the situation, previous experience that he had come across, based on his intuition etc. Today's businesses require leaders and not managers. In light of the above need this study is an earnest attempt to measure the leadership potential and its development among the students of a business school at NITTE. This study is especially significant in its findings that leadership is a trainable attribute rather than an innate attribute as it was believed earlier. A leadership profile indicator tool was used in measuring pre and post training impact of leadership on student's leadership development process. The significant finding of this study was in terms of breaking the myth that male were more suitable for leadership positions in business than females.

Keywords: Leadership; Potential; Business school; Students; Leadership profile indicator

Introduction

The Leadership Potential Indicator (LPI) measures aspects of the leadership style of the individual by asking questions about behaviors, attitudes and reactions under various management and leadership situations. Groups of questions relate to different aspects of leadership skills called competencies. It is the particular combination of competencies possessed by a person that shapes their style and contributes to their job performance.

This research uses the LPI tool called Self-Assessment and Feedback Instrument (SAFI) that are a unique outcome made by the HRD Guru, Dr. Udai Pareek, in the field of psychology, applied behavioral sciences and human resources. In the fast changing economic and social scenario, SAFI tools as a set of psychometric instruments help in understanding various aspects of human behavior from simple to complex, from individual level to organizational context. It serves as a key tool in differentiating leadership trait among the individuals.

Literature Review

The empirical study evaluating Outcomes and Impacts -a Scan of 55 Leadership Development Programs by Claire Reinelt et al., [1] reveal that using multiple methods yields a fuller picture of the program's impact. The choice of methods needs to be aligned with the type of information sought for methods vary widely in how much they cost to use. There is a desire by programs and evaluators to use more in-depth methods for learning. According to the qualitative descriptive study on Leadership traits, behavioral contingencies and non-charismatic paradigms by Robert [2], Personal traits and behaviors has significant impact on leadership style. Michael E. Pretz [3] in their empirical study on leadership effectiveness and organizational change using a survey method and a sample of 50 respondents concluded that successful leadership is dependent upon financial management, communications, motivating others through relationship building among all levels of the organization, and creating and communicating a vision and direction of the organization.

Nandita Mishra et al., [4] conducted a descriptive study through a secondary research review literature on Integrity, responsibility towards stake holders, individual behavior and leadership .This study observed had multiple findings- to maximize profit should not be the single most important goal of business , advertisement content of TV should not be under the control of advertiser , It is not proper to quote wrong claims about a product's usefulness, most business firms make a sincere effort to adjust complaints fairly, the average consumer would be willing to pay higher prices if the brand contributed towards social responsibility. Vishal Gupta [5] of IIM Calcutta in his empirical study on creativity at workplace, leadership traits concluded that the items of developing and team building behaviors loaded on a single factor rather than loading on two separate factors - Leadership Style and Team Building.

Purpose of the Study

The purpose of this study was to use the LPI instrument which was administered to students before they undertook a course on leadership and their LPI scores were administered (before) and the same sample of students LPI scores were assessed after they underwent the leadership course with is to find out whether there was a significant change in the

LPI scores of the students (after) their exposure to the leadership course in their MBA program. Also this study attempted to analyze how the patterns of the thinking of the students changed in dealing with the same situations encountered.

Methodology

A sample of 62 student of JKSHIM 1st year batch was selected for the study. The selection of students was made in random, there is no preference used in selection of the sample. The LPI instrument consists of 12 situations. Each item in the instrument poses a problem situation with 4 multiple choice of responses from which the respondent is required to choose the response that he/she thinks is most appropriate in a given situation as a leader. The students were asked to read the situation projected to them, then they were asked to consider four different strategies attached with the situation .The students were asked to choose one strategy, they would prefer to use, if they face such a situation as a leader. It was made mandatory for them to choose any one situation strictly, not leaving out any situation unanswered. The instrument was administered in the classroom with the facilitator assisting the respondents in the process. The analyses and scoring was done by the software that accompanies this tool which is standardized and validated for its reliability and consistency.

The score ranged from a maximum of 70 to a minimum of 20. The median score was around 55 which was set as a cut off score where all students scoring between 40 and 55 were considered to have met the minimum standards on LPI scores and those scoring anywhere between above 55 and 70 were considered good.

Any score below 40 indicated the lack of leadership ability in the individual or rather indicated that the individual need to work on improving his/her leadership quality.

Data Analysis

The analysis of the LPI scores of 63 students of 2nd year MBA is indicated below in Table 1.

Fitting the data in a standard normal curve we get the following bell shaped curve as in Figure 1.

From the above Table 2 it is interesting to note that the number of boys is almost double that of the number girls in the LPI score range of 40 to 59. But is quite interesting to note that in the LPI score range between 60–70 + the number of girls outnumber the number of boys which indicates that females have better leadership potential. This is breaking the traditional belief that only male are suited for leadership position in business. The LPI Category Cross tabulation of Degree Graduates of 20-69 students is shown in Table 3 and Figure 2.

It is interesting to note that under graduate degree had significant impact on LPI scores with commerce and Business Management candidates had higher LPI scores than science and engineering graduates. The LPI Category Cross tabulation of Degree Graduates of 70 students and above is shown in Table 4 and Figure 3.

Analysis of the LPI scores 1 MBA a student is shown in Table 5 and Percentage – LPI break up is shown in Figure 4.

Findings

After perceiving the study regarding the leadership skills possessed by the students in the MBA from the different streams of education it was found that the B.Com graduates had good scores on LPI, indicating the leadership potential was significantly high among this group indicating that pre masters education qualification has a great role in the contribution of the leadership skill development. It also showed that approx. 40% of the students have leadership potential in them which could be increased with effective training. The study also showed a mixed trend with regard to gender and LPI scores as discussed above. We cannot conclude on the basis of this study that females were better in high score range of LPI than males, as this would be gender biased. However, from the study we observed that the males scored more than average in the leadership skill survey in the lower range of LPI scores and when it came to the higher band of LPI scores females did better than males.

Mean	55.33870968
Standard Deviation	9.925862143

Table 1: The analysis of the LPI scores.
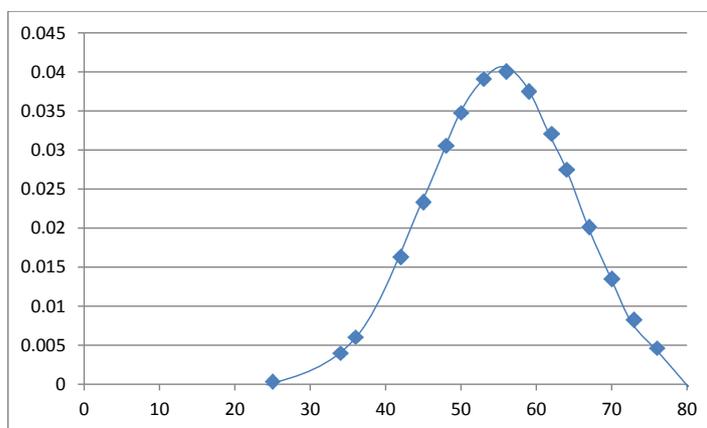
y-axis – Probabilities ranging from 0 to 1

x-axis – LPI scores

The mean LPI score is around 55 and +/_ 15 indicates the acceptable range

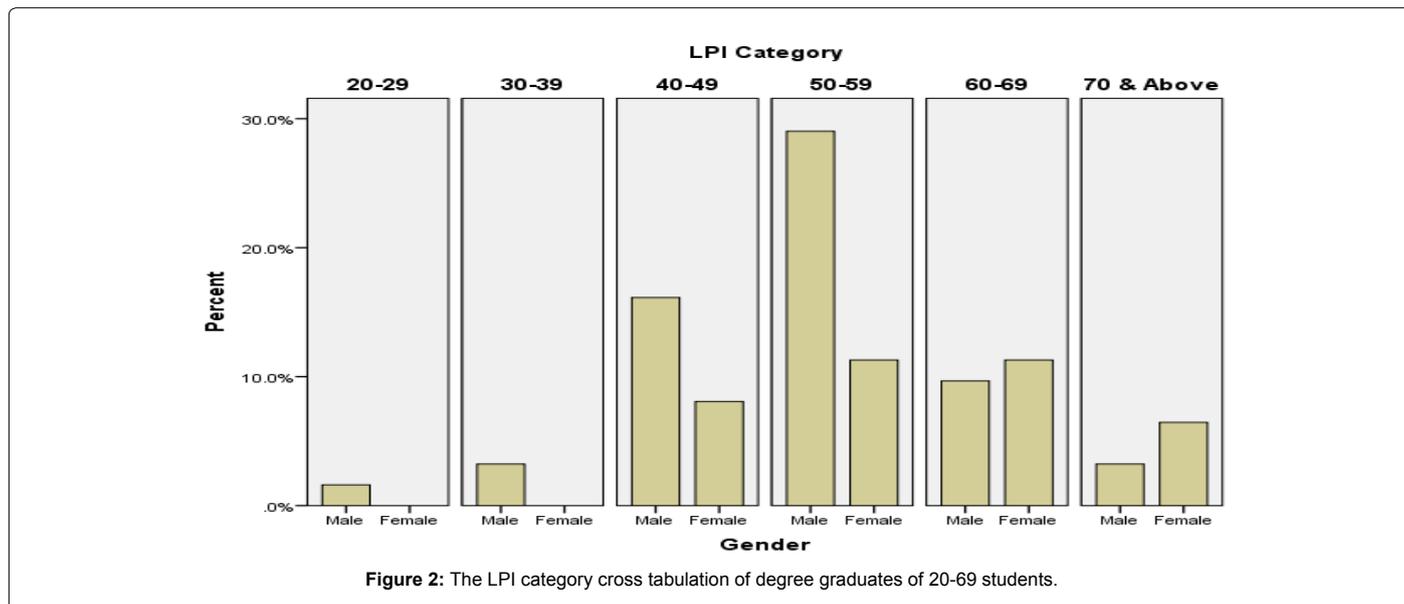**Figure 1:** The analysis of the LPI scores.

Figure 2: The LPI category cross tabulation of degree graduates of 20-69 students.

		LPI Category						Total
		20-29	30-39	40-49	50-59	60-69	70 and Above	
Gender	Male	1	2	10	18	6	2	39
	Female	0	0	5	7	7	4	23
Total		1	2	15	25	13	6	62

Table 2: Gender LPI category cross tabulation.
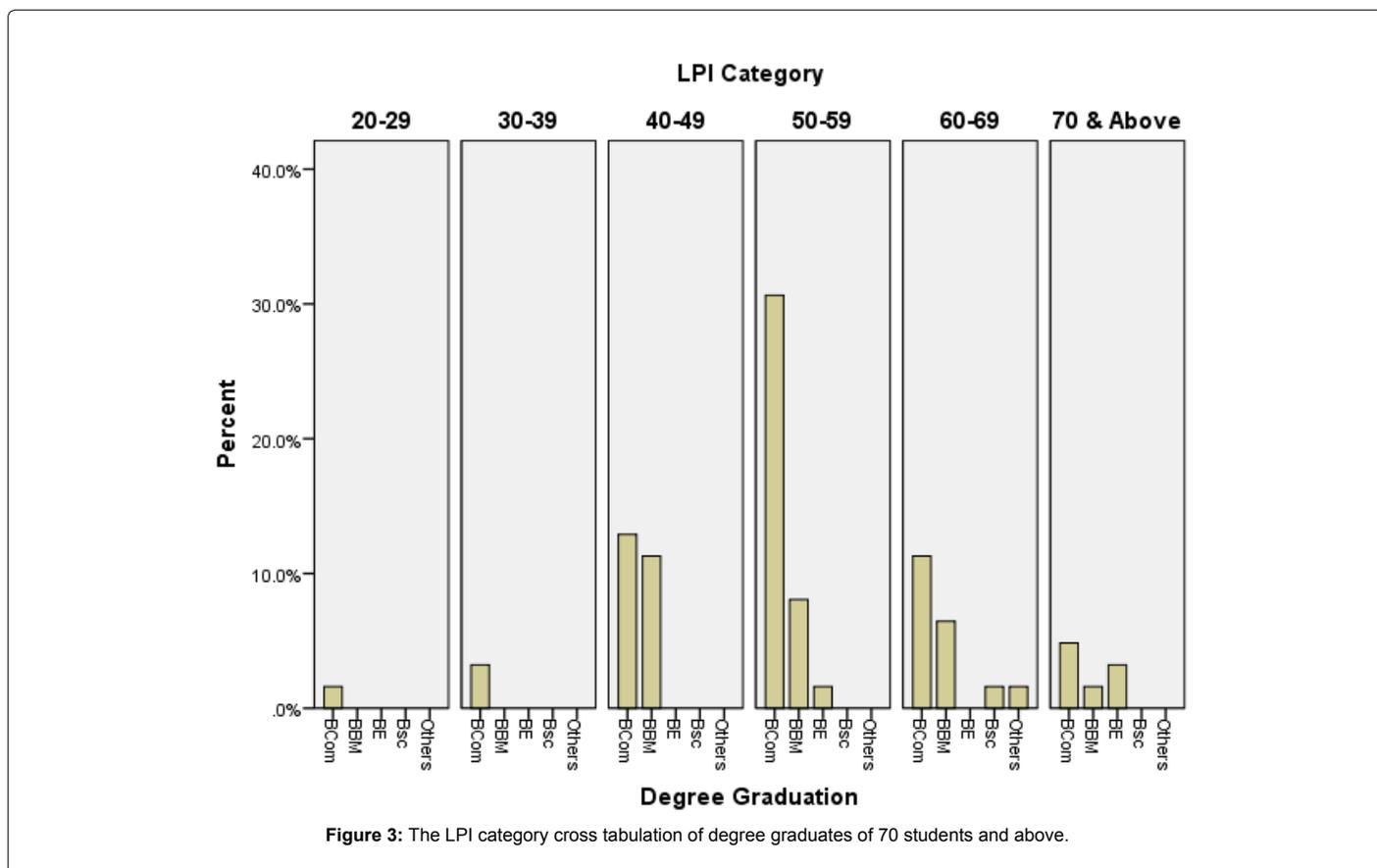
Figure 3: The LPI category cross tabulation of degree graduates of 70 students and above.

			LPI Category				
			20-29	**30-39**	**40-49**	**50-59**	**60-69**
Degree Graduation	BCom	Count	1	2	8	19	7
		% of Total	1.6%	3.2%	12.9%	30.6%	11.3%
	BBM	Count	0	0	7	5	4
		% of Total	0.0%	0.0%	11.3%	8.1%	6.5%
	BE	Count	0	0	0	1	0
		% of Total	0.0%	0.0%	0.0%	1.6%	0.0%
	Bsc	Count	0	0	0	0	1
		% of Total	0.0%	0.0%	0.0%	0.0%	1.6%
	Others	Count	0	0	0	0	1
		% of Total	0.0%	0.0%	0.0%	0.0%	1.6%
Total		Count	1	2	15	25	13
		% of Total	1.6%	3.2%	24.2%	40.3%	21.0%

Table 3: Degree Graduation LPI Category Cross tabulation (20-69 students).

Figure 4: Percentage-LPI break up.
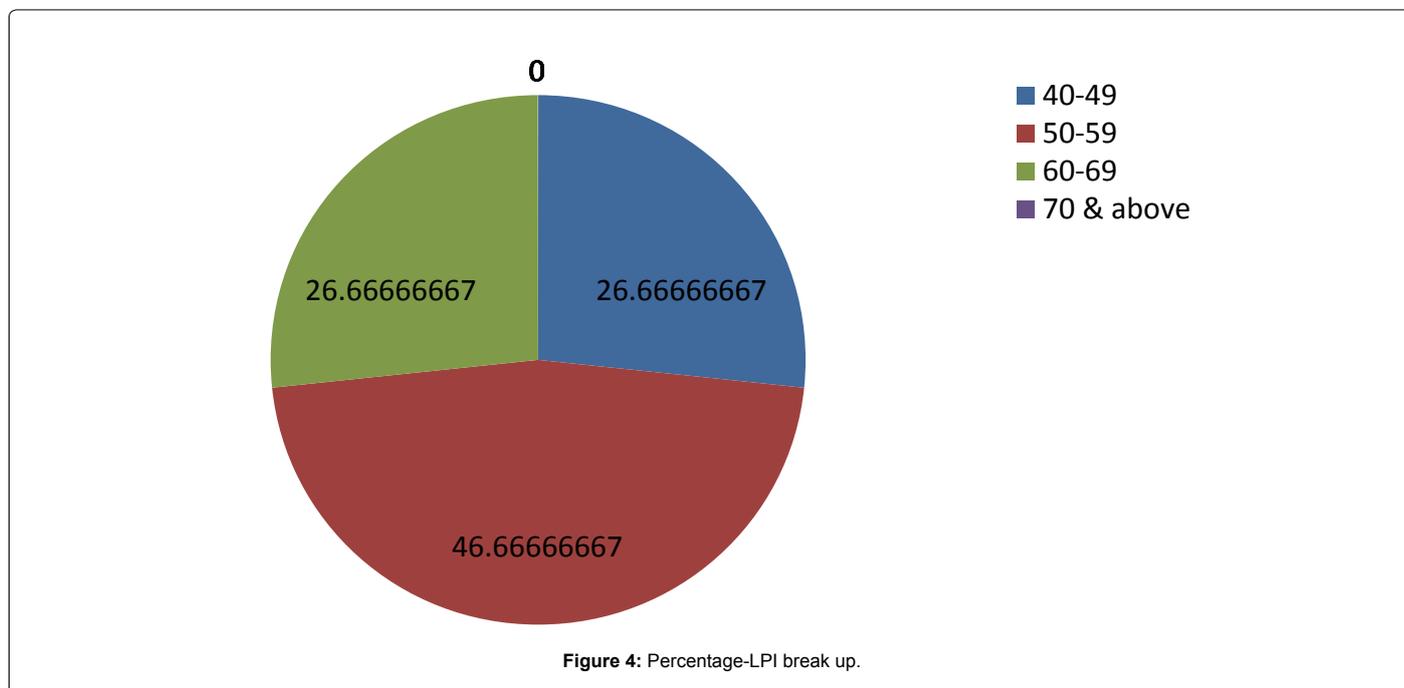
			LPI Category	Total
			70 and Above	
Degree Graduation	BCom	Count	3	40
		% of Total	4.8%	64.5%
	BBM	Count	1	17
		% of Total	1.6%	27.4%
	BE	Count	2	3
		% of Total	3.2%	4.8%
	BSc	Count	0	1
		% of Total	0.0%	1.6%
	Others	Count	0	1
		% of Total	0.0%	1.6%
Total		Count	6	62
		% of Total	9.7%	100.0%

Table 4: Degree Graduation LPI Category Cross tabulation (70 and above).

Mean	53.23823432
Standard Deviation	9.8433454

Table 5: Analysis of the LPI scores of MBA students.

The study of first year and second year data is comparatively similar. The deviations from the LPI score vary between 9.9 and 9.8. The is not much variation between the mean scores of BCom/BBM and BE students of first years and second years.

Conclusion

The exceptional leader is always thinking three steps ahead. Working to master his/her own environment with the goal of avoiding problems before they arise. As a leader, one must listen a lot! You must be willing to work to understand the needs and desires of others. A good leader asks many questions, considers all options, and leads in the right direction. Knowledge is power. Work to be well educated on community policies, procedures, organizational norms, etc. Further, your knowledge of issues and information will only increase your success in leading others. After the study it was clear how the students faired in the leadership skills beforehand experiencing the corporate work life, in further study we would be interested to know how the MBA course has impacted in the improvement in the leadership skills with the same set of group.

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