

# A Pragmatic Study on Management with Autocratic Approach and Consequential Impact on Profitability of the Organization



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**Abstract** This paper analyzes the impact of the tyrannical approach in the management functions and its impact on the growth of the organization and employees. The autocratic approach is not only negative for the health of the organization but its impact is catastrophic in the absolute sense. For every organization three “M”, i.e., Management/ Machines/ Manpower are extremely important around which the progress of the organization revolves. It should always be the priority of the management to maintain harmonious relations with the employees to get the maximum and qualitative output from the machine. Hence, it becomes imperative to researchers to conduct a thorough survey in some of the organizations to study the reasons for their poor performance. Moreover, it is also essential to ascertain the management approach toward establishing a conducive and congenial environment among their workforce. Several rounds of personal interview sessions were conducted with the officials of the selective organizations who had suffered immensely due to the tyrannical way of handling of the management. Results show that the concept of negative leadership is associated with some basic adverse behavioral categories which include dependency, indiscipline, de-motivation, slackness, lack of trust and confidence, work honesty, etc. Tyrannical leadership causally damages the environment of the organization. The main characteristics of tyrannical management include negative feelings and attitudes among the employees. This study also reveals the circumstances in which the management becomes a tyrant and its aftermath effects.

**Keywords** Autocratic · Management · Catastrophic · Organization

## 1 Introduction

The key purposes of every organization are to generate profits for future growth, and the profits depend on two undisputable variables. One and the foremost factor is to have a satisfied and competent employee base without which nothing is possible in any organization. Second is the satisfied customers’ base which of course depends

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upon the quality and price of the products. It has been a recognized attribute as an emergent attribute (appertain to births, such as height, brainpower, alluring, and self-confidence) and effectiveness traits as the fundamental component of administration itself born with certain attribute such as faith, brainpower, visionary, and willpower has the qualities becoming a leader but there is an only influence on the difference between leaders and followers during the study.

No one can even dream that without the efforts and perseverance of satisfied employees, a satisfied customer base can ever be created in the market. It is only the team of satisfied employees in any organization which ultimately creates satisfied customers by way of producing quality products at competitive rates and keep their customers satisfied by way effective deliveries of the produced goods to them in time. This one is the only established tool for generating profits in the organization.

The purpose of writing this paper is to highlight some of the salient features which adversely affect the growth of the organization due to the tyrannical behavior of the top management. Human resources and human values are the most important factors in the success of the organization which is directly linked with the prosperity of the employees. However, in some of the cases, the management with some parochial approach refuses to accept the importance of its employees and leads the organization in such a manner that is much on the autocratic model. Even the employees also succumb to the pressure because of many reasons and family constraints hence force them to continue to work in the suppressed environment without many choices available to them. Moreover, the management, on the one hand, continues to run the organization with high-headedness ignoring the basic interests of the employees same as, on the other hand, the workers too become indifferent and redundant for the growth of the organization and continue to work with no major contribution.

Quite often than not, it is seen that the management becomes a tyrant and abusive due to the helplessness of their employees who cannot afford to leave the organization because of various family constraints despite inhuman conditions. Moreover, the management too starts exploiting their employees and behave in such an autocratic way which brings more dissatisfaction and frustration among the employees. Nevertheless, it is also seen that even the good work done by the management for the welfare of the employees yields not many positive results as employees are always suspicious and skeptical of the intention of the top management. Employee's confidence level remains shattered and every policy no matter how good it may be, for the benefit of the employees is seen with doubts in the absence of mutual trust and confidence.

It is also true that the organizations fail not because of the scarcity of raw material and other resources, but rather the inhumane attitudinal behavior of the management.

These conditions arise mainly due to the following practices of governance in the organizations:

- An unconditional ruler rules without restrictions.
- An unconditional ruler exercises power in a harsh/cruel and unethical manner.
- An unconditional ruler takes the decision on whims in a highly irrational manner.

The study proves that such autocratic persons are in themselves a very fearful person engulfed with the feeling of insecurity with the highest level of negativity. Such persons need to remind themselves time and again that they are the boss and exercise their authority in such a way that it becomes harmful for the organization and to themselves as well.

## 2 Review of Literature

- Mohammad Younes Amini, Shakila Mulavizada, and Homauon Nikzad (2019) discussed. That employees are the most important and effective asset for achieving the goal of the organization. The organizational capital efficiently and effectively enhances the employee's tendency. Organization which utilizes this asset (employees) management style is considered to be the effective determinant to increase employee dedications. To need effective management and teamwork to enhance decision-making.
- Management skills and career enhancement influence more the selection of CEOs and career basis in family friends than by the nepotism in context of family and friends that suggest the quality of a leadership-as discussed by Salvato et al. (2012).
- Tsai et al. (2009) concluded the negative relationship between the level and the CEO annual turnover. The family CEOs establishing themselves in their family firm assigned by the level and CEO annual turnover.
- Kesner and Sebora (1994) explored the impact of CEO succession on the fate of organizations. The literature has not slowed down; in fact, after 10 years more emphasis is being given to the antecedents, alien, and the CEO succession.
- Weak relationships between employees at different organizational levels and senior management were the most common cause of stress and burnout, lowering construction workers' job satisfaction (Janssen and Bakker 2002). The construction (manufacturing) industry necessitates a high level of work. Poon, Rowlinson, Koh, and Deng (2013–14) argued that work load, tight budgets, and ambitious deadlines are major sources of stress, whereas Ibem, Anosike et al. (2012) argued that work load, tight budgets, and ambitious deadlines are major sources of stress. Chen and Ye (2011) discovered that individuals with senior job burnout have low organizational commitment and low job satisfaction.

## 3 Problem Statement

The Company Manager has failed to achieve his target of profitability for the organizations. The latest survey conducted by CCL (Center for Creative Leadership) revealed that almost 50% of senior managers in the profitable planning for the industry fail to achieve the target. Some issues that arise in the workplace Senior

employees in huge firms have the manager's function with minimal risk, but they nevertheless fail to perform well and produce poor results in the workplace.

## 4 Research Methodology

**Research Type:** Exploratory Research followed by Descriptive Research.

**Sample Type:** Conventional Random Sampling

**Sample Size:** 46 respondents from manufacturing industries of Bikaner Rajasthan.

The present study is a work under qualitative research, and for this research we have collected both types of data, primary and secondary. Primary data has been collected with the help of questionnaire and personal interviews on the basis of convenient sampling. Secondary data has been collected from articles published in various magazines, journals, and newspapers along with the websites.

In order to collect the primary data, 100 persons of different manufacturing organizations were interviewed through a well-structured questionnaire on a five parameters and analysis by the Likert scale and attitude of the respondents. However, to arrive at the nearest results, parametric tests such as t-test and factor analysis have been applied to justify the findings of the research. Out of the total 46 respondents, it is found that only 46 respondents answered in a much relevant way and hence the results are based on the above population of 46 respondents.

## 5 Data Collection Instruments

To follow the Likert scale method for the study and used for amplitude balance of contrary forces and give the responses to the survey's main question for the conceptual study, Likert's management style tool was used.

## 6 Data Collection Technique

Participants can obtain more responses on the basis of qualitative research whenever asking the open-ended question on research objectives. The research benefits deeper insight into distinct responses by questionnaires as relevant and understanding the soundness of each response.

## 7 Hypothesis

The hypothesis follows:

H0: There is an important relationship between the management approach and employees working culture satisfaction.

H1: There is an important relationship between the management approach and the impact on profitability of the organization.

## 8 Purpose of the Study

The main objectives of the research are as follows:

1. To study the attitude of the employees working in the tyrannical environment.
2. To study the impact of tyrannical management on the growth of the organization.

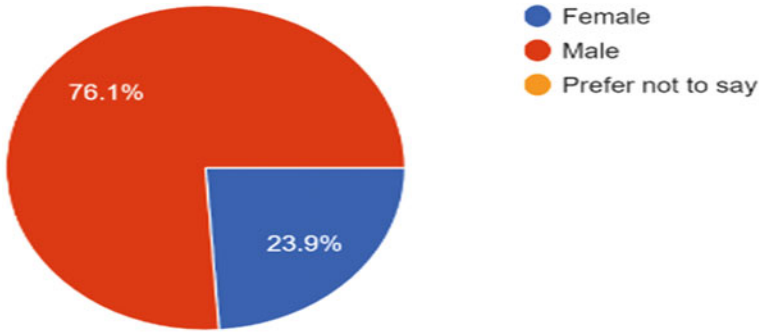
## 9 The Study's Importance and Scope

The study only looked at how participative managers, higher authority, and leadership styles influenced employee and worker performance, which includes carrying out defined responsibilities, meeting deadlines, and being effective and efficient in doing work and achieving organizational goals. The data set is from the most recent decade, 2019–2020.

The policy of the organization has been clear for all employees. Basically, the autocratic management approach does not take any other way, contrary opinions into consideration, which makes the vision of the organization simpler. Employees who go against company policies often do not stay with the organization for long.

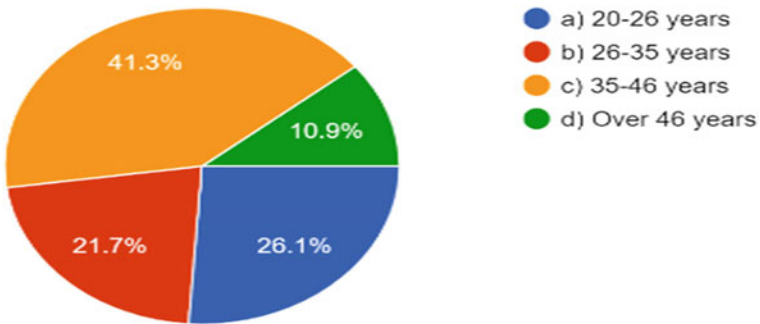
## 10 Data Analysis and Interpretations

The process and procedures are included in qualitative data in which data collected from respondents are explanation, analysis, understanding, and interpretation of the participants and their situations and followed by data analysis process, the employee's experience with the occurrence of organizational profitability is in the result section. During the study analysis, the qualitative study must describe only the experience of the employees (participants) with the circumstance to prevent the effect of the personal bias.



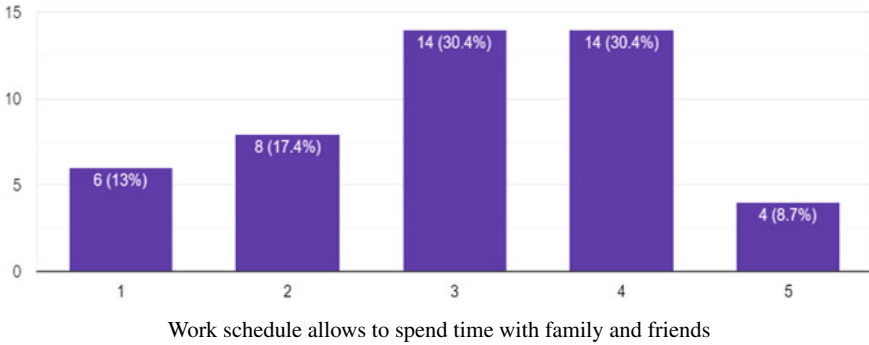
Demographic factor—gender

Pie chart of gender in Fig. shows the percentage distribution of the respondents according to gender: 23.9% of respondents were female and 76.1% were male. The following Figs. are :

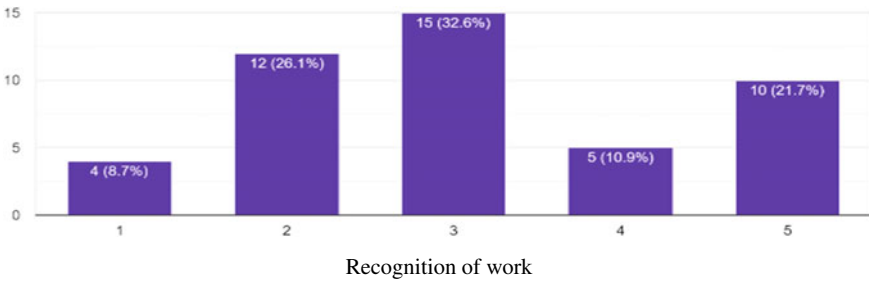


Demographic factor—age

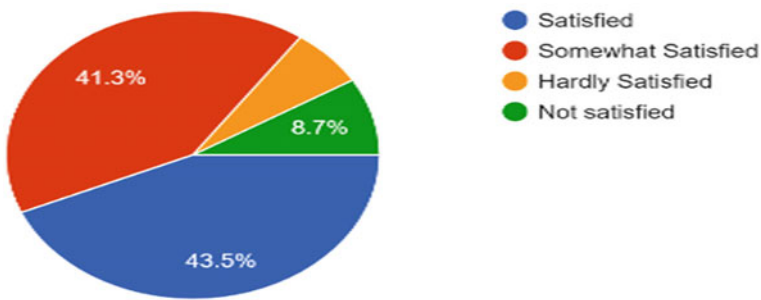
The respondent is divided into four age groups: 20 to 26 years, 26 to 35 years, 35 to 46 years, and 46 years and above. People in the 35 to 46 age group make up the largest group, at 41.3 percent of the total respondents. The 20 to 26 group and 26 to 35 group make following, with 26.1 percent and 21.7 percent of the respondents, respectively. Over 46-year-olds make up 10.9 percent of the respondents. Those aged 46 years and above hold the smallest share of the respondents, at 10.9.2 percent.



A column chart is used to show a time spent with family and friends during working schedule comparison among different people or it can show a comparison of spending time with family and friends on scale third and fourth 30.4 percent and 30.4 percent, respectively, out of total 46 respondents.

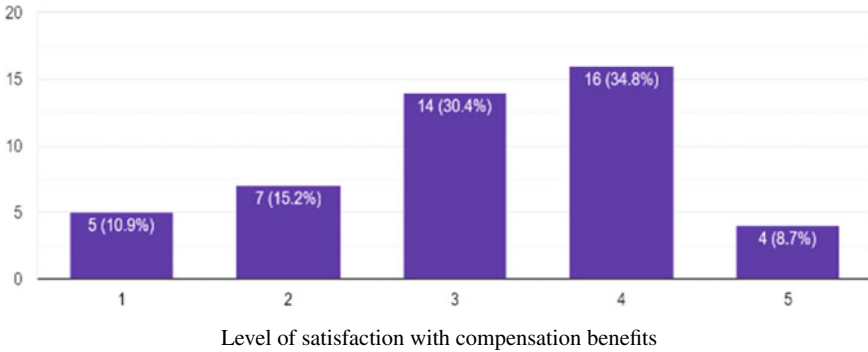


The height of each column is proportional to the percentage (26.1 and 32.6) of people who know hard work and success in work.



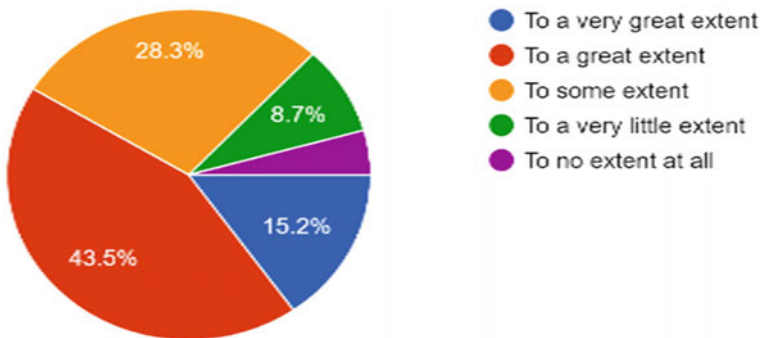
Level of satisfaction with work–life balance

The pie chart shows the satisfaction level of the employee When it comes to the **work environment**, over 43.5 percent of the respondents are satisfied or 41.3 percent somewhat satisfied with their jobs.



The column chart shows the 34.8 percent satisfied and 30.4 percent natural with the current compensation and benefits offered by the company.

The gauge our respondents’ understanding of business to covered the 43.5 Present to a great extent and 28.3 present to some extent very shot part that covers to a very great extent but we can say that state clearly the objectives of the team.



Communication through manager

## 11 Findings

The study confirmed that the tyrannical style of working by the management irrespec- tively becomes responsible for the adverse growth of the organization. Hereunder are the few findings which researcher has observed during the course of the research work. The researcher has found out that leadership plays important role to determine the fate of the organization. In particular, it is only the leaders who shape the culture of the organization and become role model through their behavior among employees and develop inter- and intra-personal relationships between themselves and their



followers. However, the tyrannical style of management de-motivates employees with low spiritual intelligence.

This paper examines the leader's destructive behavior and its impact on work place. Some of the major findings are as follows:

1. Tyrant leaders get consensus of their employees on every task more through intimidation and fear than group thinking.
2. Employees go along despite their own doubts which leads to "pluralistic ignorance", in which subordinates are unaware that others are concerned about a decision.
3. Employees who work for tyrannical managers are less likely to question his or her ideas. As a result, workplace tyranny is more likely to foster group thinking, which leads to necessary decision-making.
4. Tyrant leaders act one way toward subordinates which gives destructive effect over the long term in the organization.
5. It is also found out that under the tyrannical leadership, it is difficult for a subordinate to resist or attempt to mitigate the harmful effects of tyranny, which ultimately leads to employee complacency.
6. It is definite that under the tyrannical leadership, the employees always work in fear and dismay and put all strains to open their opinion for the betterment of the organization.
7. The employees foresee their career prospect with the negative growth and do not contribute much as they think that their opinion would not carry any weight in the eye of the management.
8. It was also observed that the organization leadership becomes tyrant in the event when they realize that the employees were not in a position to change due to their personal constraints.
9. Employees also realize that their future are not secure and bright yet they work without much contribution.
10. According to the study findings, the annoyance caused by a small (heart-touching) tyrant is most severe for workers with the best future prospects.

## 12 Conclusion

It is a fact the tyranny in some form exist in all the organization. Managers often use their authorities much or little oppressively, capriciously, and vindictively which lead to antecedent consequences. The situation becomes grimmer when management starts taking the benefit of the situation knowingly fully well that in all situation employees are going to remain in the organization and in no way can afford to resign or leave the organization due to some personal or family constraints.

The high-headedness of the management in the organization can send the organization in the wrong direction. Normally employees lost the mutual trust in the management and even do not hesitate to express their feelings in the market. With

the results suppliers and customers get susceptible and start developing some alternate source to fulfill their needs. The growth starts showing negative indication by way of losing customer base and suppliers' confidence. Management starts putting the blame on the employees for ignoring the systems and directions which leads to more serious ramifications. Nevertheless, if we do the psychology analysis of this tyrannical attitude of the management, we will find a tendency of psycho fear in the mind of the top management officials with a very high degree of complex which compels to show off the authority at every occasion and get the employees and subordinates convinced forcefully of their viewpoints.

Therefore, it is always advisable to all employees to be mentally prepared to face the tough time in the organization. It is a fact that without the satisfaction of the employees the organization can tread to only destruction which is imminent and has to come one day. Therefore, it is better for the employees to take appropriate steps to face this situation and the dooms day is not very far off.

The growth of any organization is largely dependent on its employees, and an employee would require excellent interactive communication to combat the consequences of small autocracy. To take on an autocracy, an employee would also need a high level of self-assurance and dedication.

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