Cognitive Style a Predicator of Managerial Effectiveness: Study of Public and Private Sector Bank Managers in India

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Abstract - This study was conducted to investigate the relationships between cognitive style and managerial effectiveness among different managerial levels of various public and private sector bank’s of National Capital Region (Delhi) and Haryana state of India. Data was collected by using Cognitive Style test for Field-dependence and Fieldindependence developed by Witkin (1959) and Index of Managerial Effectiveness test devised by Walter W. Hudson(1993). A sample of 300 bank managers of senior, middle and junior level positions from three public and three private sector banks of National Capital Region (Delhi) and Haryana state of India was taken for the study." Both the public and private sector bank managers exhibit higher tendency of field-dependence among the senior managers in comparison to the middle level managers who have relatively greater inclination towards field-independence.

Keywords : Cognitive style, Managerial Effectiveness, Field-dependence and Field-independence.

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Cognitive Style a Predicator of Managerial Effectiveness: Study of Public and Private Sector Bank Managers in India

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Keywords : Cognitive style, Managerial Effectiveness, Field-dependence and Field-independence.

1. INTRODUCTION

a) Cognitive style

Cognitive style is described as the way individuals imagine, perceive, distinguish, recognize, think and remember information. It is a persisting habitual pattern of perceptual and intellectual activity. With the help of cognitive styles an individual acquires knowledge (cognition) and processes information (conceptualization) (Kirtan, M.J., 2003). Cognitive styles are linked to mental behaviors, habitually applied by an individual for problem solving, and generally to the way that information is obtained, sorted and utilized. Cognitive style being the recurring perceptual and intellectual pattern of personality can influences attitudes, values and social interaction.

Social and cultural system provides people with a range of cognitive styles that are appropriate for different cognitive tasks in different contexts(Riding, R.J., and Cheema, 1991). The styles of individuals and of groups can be placed on a continuum between a global style and an articulated style. People who use a global style tend to view the world holistically; they see first a collection of relationships and only later the fragments and parts that are related. They are said to be field dependent. By contrast, people who use an articulated style tend to break up the world into smaller and smaller pieces, which can then be organized into larger chunks. They also tend to see a sharp boundary between their own bodies and the outside world. People using an articulated style are said to be field independent(Witkin, H.A.,Moor, C.A., Goodenough, D.R., and Cox, P.W., 1977). The preferred cognitive style of an individual often varies from task to task and from context to context. People who use articulated styles for some tasks also use global styles for other tasks. In fact, they may bring a range of different styles to bear on a single task.

b) Managerial effectiveness

Managerial effectiveness is manager’s ability to achieve desired results. How well managers apply their knowledge, skills and abilities in working with, guiding and directing others determines whether they can meet...
those results effectively, if they can, their achievements are poised to help the organization gain a competitive edge against competing organizations heading into the future (Robbins SP, 1988).

A manager should have a combination of technical, interpersonal and conceptual skills that can make him an effective manager, according to theoretical models of management, technical skills include specialized training, skilled performance of specific tasks, expertise in a specific field or industry and the ability to apply specialized knowledge to tasks and objectives (Shermon G. 1999). Interpersonal skills include the ability to work well with others, motivate workers, resolve conflicts, delegate roles and communicate objectives clearly (Howell JP, DE Bowen, PW Dorfman and S Kerr, 1997). Conceptual skills are broader and more self-actualized. They include the ability to see the organization in the context of its industry, the ability to understand how each part of the organization functions as a whole, the ability to visualize, imagine, think, remember and process information for future course of action based on current organizational and industry trends, the ability to analyze and diagnose complex situations and the ability to understand the interrelationships at work in the organization (Zhang, L.F., & Sternberg, R.J., 2006). Middle and senior management is responsible for identifying the core competencies of the organization and making sure those competencies are complemented by its managers and its overall workforce. It is up to senior management to strategically place a manager in the department where the skills and competencies will reflect the current and future needs of the organization in order to effectively achieve results that benefit the organization in the short- and long-run. In the long run, managerial effectiveness has the potential of creating efficiencies that create a sustainable competitive advantage against competing organizations and increase opportunities for future enterprise. It also fosters individual growth in the manager, followers and generates shareholder value for the organization.

Managerial effectiveness is gauged by the results a manager achieves. Results are generally believed to be influenced by the factors like how individuals imagine, perceive, distinguish, recognize, think and remember information (which is considered as cognitive style). A good manager must make work teams of like minded people having common working styles so that team members may feel more comfortable while working with one another in order to achieve positive results and organizational goals.

If we compare all these factors of managerial effectiveness such as ability to work well with others, motivate workers, resolve conflicts, delegate roles communicate objectives clearly, ability to see the organization in the context of its industry, the ability to understand how each part of the organization functions as a whole, the ability to visualize, imagine, think, remember and process information for future course of action based on current organizational and industry trends etc. with the elements of cognitive style such as the way individuals imagine, perceive, distinguish, recognize, think and remember information there seems to be lot of similarities.

c) Need for Study

Cognitive style is a key concept in the areas of psychology, education and management. If a student has a cognitive style which is similar to that of his/her teacher, the chances that the student will have a more positive learning experience. Likewise, team members with similar cognitive styles likely feel more positive about their participation with the team (Kirton, M., J., 1976). While matching cognitive styles may make participants feel more comfortable when working with one another. Working together in a team with positivity and comfort are the key factor for maximization of organizational effectiveness and efficiency. Because of such an importance of cognitive style as a predictor of critical managerial and organizational work outcomes, it has always been a variable of interest.

Managerial Effectiveness depends on a number of factors like individual's perception, personality, superior subordinate relation, working style, trust facilitation, way of thinking & processing information and surrounding organizational climate (Sternberg, R.J., & Zhang, L.F., 2001). Most of these factors of managerial effectiveness are element of cognitive style also, so there might exists a relationship between Managerial Effectiveness and cognitive style which should be investigated and understood.

Cognitive style has been extensively studied as a function of many antecedents. But it has not been covered as an antecedent with managerial effectiveness especially among managers of banking sector of National Capital Region (Delhi) and Haryana state of India. There has not been sufficient research to investigate the relative importance of different facets of cognitive style in predicting managerial effectiveness. So far, little has been done about whether there is a genuine relationship between cognitive style and managerial effectiveness among different managerial levels of bank managers working in various public and private sector banks of National Capital Region (Delhi) and Haryana state of India.

The banking sector in India is facing the transition phase in current globalization and localization environment. The restructuring and blending of certain services in the banking sector have affected the efficiency and mindset of managers working with these banks. Managers in the banks may be having different cognitive style and respective managerial effectiveness. So in such a transitional state of banking sector working
and restructuring there is need to find out the relationship between the cognitive style and managerial effectiveness of managers working at different levels and the difference between the identified relationships. To fill the above stated voids in knowledge, the main objective of this study was to investigate the relationships between cognitive style and managerial effectiveness among different managerial levels of bank managers working in various public and private sector banks of National Capital Region (Delhi) and Haryana state of India. The study also aimed at investigating and comparing the differences of the identified relationships between cognitive style and managerial effectiveness among different managerial levels of bank managers working in various public and private sector banks of National Capital Region (Delhi) and Haryana state of India.

**d) Problem of study**

1) What are the relationships between cognitive style and managerial effectiveness among different managerial levels of bank managers working in various public and private sector banks of National Capital Region (Delhi) and Haryana state of India?

2) What are the differences between the identified relationships of cognitive style and managerial effectiveness among different managerial levels of bank managers working in various public and private sector banks of National Capital Region (Delhi) and Haryana state of India?

**e) Objective of the study**

Objective of this study were to investigate:

1) The relationships between cognitive style and managerial effectiveness among different managerial levels of bank managers working in various public and private sector banks of National Capital Region (Delhi) and Haryana state of India.
Public sector banks from where managers of three different levels i.e. junior, middle and senior level were involved in the study were:

a) State Bank of India  
b) Punjab National Bank  
c) Oriental Bank of Commerce

Private sector banks involved in the study were:

a) ICICI Bank  
b) HDFC Bank  
c) Axis Bank

Classification of bank managers of both the public and private sector banks, involved in the study:

a) Junior level manager : Executives below the position of Branch Manager  
b) Middle level manager : Branch managers  
c) Senior level managers : Bank Executives above the position of Branch manager

Sample Universe for the sample of present study was all the bank executives working at different positions in the following banks:

Public sector banks
a) State Bank of India  
b) Punjab National Bank  
c) Oriental Bank of Commerce

Private sector banks  
d) ICICI Bank

IV. METHOD OF DATA COLLECTION

For data collection all the 300 subjects involved in the study as sample were tested for personality dimension of cognitive style by using Witkin’s Figure Imbedded Test and Index of Managerial Effectiveness for managerial effectiveness. Data so collected is tabulated and presented below and findings have been discussed.

a) Tools used

Figure Imbedded Test developed by Witkin (1959) was used for scaling the cognitive style of the subjects involved in the study.

Index of Managerial Effectiveness devised by Walter W. Hudson (1993) was used for measuring managerial effectiveness of the sample.

V. RESULTS AND FINDINGS

Table 1 : Mean Cognitive Style scores of Junior, Middle and Senior level managers of Public and Private sector banks with F value and results of Duncan’s multiple comparison test.

<table>
<thead>
<tr>
<th>Banks</th>
<th>Public sector banks</th>
<th>Private sector banks</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Junior level manager</td>
<td>Middle level manager</td>
</tr>
<tr>
<td>Groups</td>
<td>N</td>
<td>Means</td>
</tr>
<tr>
<td>Group No.</td>
<td>50</td>
<td>130.05</td>
</tr>
<tr>
<td>N</td>
<td>50</td>
<td>109.54</td>
</tr>
<tr>
<td>Means</td>
<td>98.47</td>
<td></td>
</tr>
</tbody>
</table>

Table (1) Shows that mean cognitive style scores of junior, middle and senior level managers of public sector banks are 130.05, 109.54 and 98.47 respectively and mean cognitive style scores of junior, middle and senior level managers of private sector banks are 126.33, 104.14 and 92.17 respectively. Higher the cognitive style scores greater the tendency of field-dependence and lower the scores greater the tendency of field-independence.

Presentation of the scores in ascending order of all the three categories of both the public sector and private sector bank managers clearly illustrate that cognitive style scores are low to high from senior to middle and junior level respectively. Among both the public and private sector bank managers these scores exhibit higher tendency of field-dependence among the senior managers in comparison to the middle level managers who have relatively greater inclination towards field-independence in comparison to senior managers. Junior level managers of both the public and private sector banks are the highly inclined towards field-independence tendency in comparison to middle and senior level managers.
F-ratio between the groups of public sector banks to be 7.046 which were significant at 0.05 level of significance. Since F-ratio was found significant, it means there exists a major difference between mean cognitive style scores of at least two groups, hence, Duncan’s multiple comparison of means test was used to examine significant differences among means of different groups. The comparisons were made at 0.05 level of significance.

The results of Duncan’s multiple comparison of mean revealed that mean cognitive style scores in ascending order were of junior managers, middle level managers and senior managers. Table (1) presents that junior managers and middle level managers differ significantly in their means from senior managers but junior managers did not differ significantly from middle level managers.

F-ratio between the groups of private sector banks to be 8.096 which were significant at 0.05 level of significance. As F-ratio was found significant, it means there exists a significant difference between mean cognitive style scores of at least two groups, hence, Duncan’s multiple comparison of means test was used to examine significant differences among means of different groups. The comparisons were made at 0.05 level of significance.

The results of Duncan’s multiple comparison of mean discovered that mean cognitive style scores in ascending order were of junior managers, middle level managers and senior managers from private sector bank. Table (1) presents that junior managers and middle level managers differ significantly in their means from senior managers but junior managers did not differ significantly from middle level managers.

Table 2: Mean Managerial Effectiveness scores of Junior, Middle and Senior level managers of Public and Private sector banks with F value and results of Duncan’s multiple comparison test.

<table>
<thead>
<tr>
<th>Bank</th>
<th>Public sector banks</th>
<th>Private sector banks</th>
</tr>
</thead>
<tbody>
<tr>
<td>Group</td>
<td>Variable</td>
<td>cognitive style</td>
</tr>
<tr>
<td>Junior manager</td>
<td>level</td>
<td>Highly Field-invariant</td>
</tr>
<tr>
<td>Middle manager</td>
<td>level</td>
<td>Field-invariant</td>
</tr>
<tr>
<td>Senior manager</td>
<td>level</td>
<td>Field-dependent</td>
</tr>
<tr>
<td>Junior manager</td>
<td>level</td>
<td>Highly Field-invariant</td>
</tr>
<tr>
<td>Middle manager</td>
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</tr>
<tr>
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<td>level</td>
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</tr>
</tbody>
</table>

VI. LIMITATIONS AND SUGGESTIONS

Because of limited resources, sample size taken for the study was very small, if a larger size sample can be managed more exact finding can be deduced.

Only two dimensions of relationship between cognitive style and managerial effectiveness are studied, other objectives may be developed and finding can accordingly be worked out.

Present study is limited to the two states of Indian banks only, a comparative study may be conducted on international level and finding can be worked out and analyzed to control the cognitive style among managers and ultimately improving the managerial effectiveness.

REFERENCES


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