



Unit 7: Directing

Name: _____

Date: __/__/__

Meaning

In the context of management of an organisation, directing refers to the process of instructing, guiding, counselling, motivating and leading people in the organisation to achieve its objectives.

Features

1. Directing initiates action: Directing is a key managerial function. A manager has to perform this function along with planning, organising, staffing and controlling while discharging his duties in the organisation.
2. Directing takes place at every level of management: Every manager, from top executive to supervisor performs the function of directing. The directing takes place wherever superior – subordinate relations exist
3. Directing is a continuous process: Directing is a continuous activity. It takes place throughout the life of the organisation irrespective of people occupying managerial positions.
4. Directing flows from top to bottom: Directing is first initiated at top level and flows to the bottom through organisational hierarchy. It means that every manager can direct his immediate subordinate and take instructions from his immediate boss.

Importance

- (i) Directing helps to initiate action by people in the organisation towards attainment of desired objectives. For example, if a supervisor guides his subordinates and clarifies their doubts in performing a task, it will help the worker to achieve work targets given to him.
- (ii) Directing integrates employees' efforts in the organisation in such a way that every individual effort contributes to the organisational performance. Thus, it ensures that the individuals work for organisational goals.
- (iii) Directing guides employees to fully realise their potential and capabilities by motivating and providing effective leadership. A good leader can always identify the potential of his employees and motivate them to extract work up to their full potential.
- (iv) Directing facilitates introduction of needed changes in the organisation. Generally, people tend to resist changes in the organisation. Effective directing through motivation, communication and leadership helps to reduce such resistance and develop required cooperation in introducing changes in the organisation.
- (v) Effective directing helps to bring stability and balance in the organisation since it fosters cooperation and commitment among the people and helps to achieve balance among various groups, activities and the departments

Principles of Directing

1. Maximum individual contribution: This principle emphasises that directing techniques must help every individual in the organisation to contribute to his maximum potential for achievement of organisational objectives. It should bring out untapped energies of employees for the efficiency of organisation. For example, a good motivation plan with suitable monetary and non-monetary rewards can motivate an employee to contribute his maximum efforts for the organisation as he or she may feel that their efforts will bring them suitable rewards.
2. Harmony of objectives: Very often, we find that individual objectives of employees and the organisational objectives as understood are conflicting to each other. For example, an employee may expect attractive salary and monetary benefits to fulfil his personal needs. The organisation may expect employees to improve productivity to achieve expected profits.
3. Unity of Command: This principle insists that a person in the organisation should receive instructions from one superior only. If instructions are received from more than one, it creates confusion, conflict and disorder in the organisation. Adherence to this principle ensures effective direction.
4. Appropriateness of direction technique: According to this principle, appropriate motivational and leadership technique should be used while directing the people based on subordinate needs, capabilities, attitudes and other situational variables. For example, for some people money can act as powerful motivator while for others promotion may act as effective motivator.
5. Managerial communication: Effective managerial communication across all the levels in the organisation makes direction effective. Directing should convey clear instructions to create total understanding to subordinates. Through proper feedback, the managers should ensure that subordinate understands his instructions clearly.
6. Use of informal organisation: A manager should realise that informal groups or organisations exist within every formal organisation. He should spot and make use of such organisations for effective directing.
7. Leadership: While directing the subordinates, managers should exercise good leadership as it can influence the subordinates positively without causing dissatisfaction among them.
8. Follow through: Mere giving of an order is not sufficient. Managers should follow it up by reviewing continuously whether orders are being implemented accordingly or any problems are being encountered. If necessary, suitable modifications should be made in the directions.

Elements of Direction

Supervision

Supervision can be understood as the process of guiding the efforts of employees and other resources to accomplish the desired objectives. It means overseeing what is being done by subordinates and giving instructions to ensure optimum utilisation of resources and achievement of work targets.

Importance

- (i) Supervisor maintains day-to-day contact and maintains friendly relations with workers. A good supervisor acts as a guide, friend and philosopher to the workers.
- (ii) Supervisor acts as a link between workers and management. He conveys management ideas to the workers on one hand and workers problems to the management on the other. This role played by supervisor helps to avoid misunderstandings and conflicts between management and workers/employees.
- (iii) Supervisor plays a key role in maintaining group unity among workers placed under his control. He sorts out internal differences and maintains harmony among workers.
- (iv) Supervisor ensures performance of work according to the targets set. He takes responsibility for task achievement and motivates his workers effectively.
- (v) Supervisor provides good on-the-job training to the workers and employees. A skilled and knowledgeable supervisor can build efficient team of workers.
- (vi) Supervisory leadership plays a key role in influencing the workers in the organisation. A supervisor with good leadership qualities can build up high morale among workers.
- (vii) A good supervisor analyses the work performed and gives feedback to the workers. He suggests ways and means of developing work skills.

Motivation

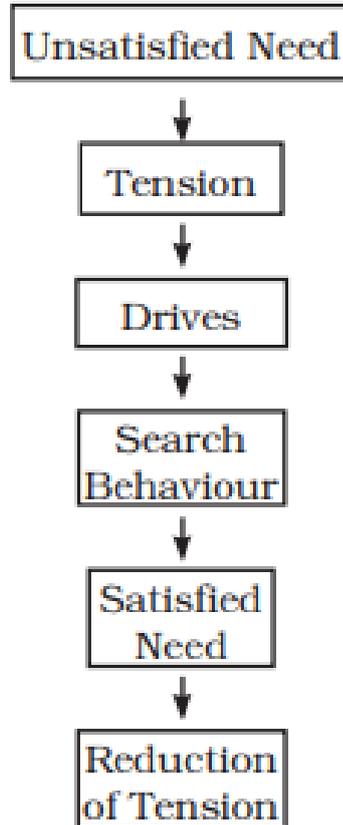
Motivation means incitement or inducement to act or move. In business context, it means the process of making subordinates to act in a desired manner to achieve certain organisational goals.

Features of Motivation

- (i) Motivation is an internal feeling. The urge, drives, desires, aspirations, striving or needs of human being, which are internal, influence human behaviour. For example, people may have the urge for possessing a motorbike, comfortable house, reputation in the society. These urges are internal to an individual.
- (ii) Motivation produces goal directed behaviour. For example, the promotion in the job may be given to employee with the objective of improving his performance. If the employee is interested in promotion, it helps to produce a behaviour to improve performance.
- (iii) Motivation can be either positive or negative. Positive motivation provides positive rewards like increase in pay, promotion, recognition etc., Negative motivation uses negative means like punishment, stopping increments, threatening etc. which also may induce a person to act in the desired way.
- (iv) Motivation is a complex process as the individuals are heterogeneous in their expectations, perceptions and reactions. Any type of motivation may not have uniform effect on all the members.

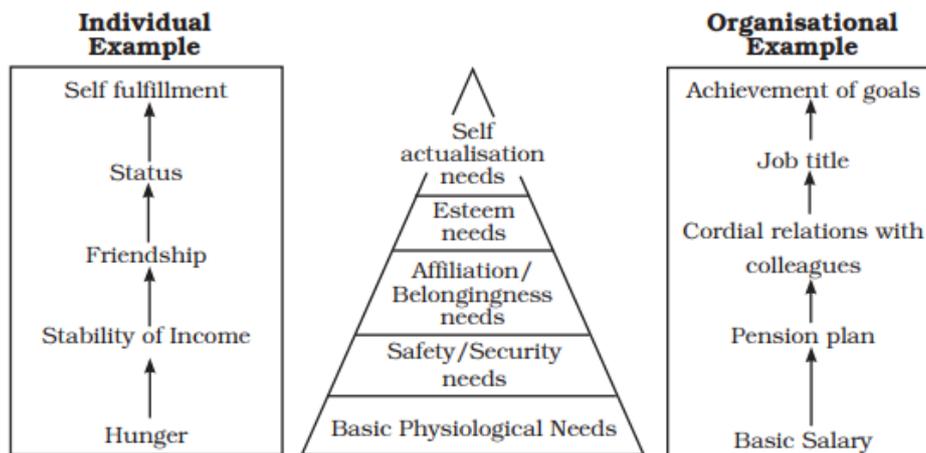
Importance of Motivation

- (i) Motivation helps to improve performance levels of employees as well as the organisation. Since proper motivation satisfies the needs of employees, they in turn devote all their energies for optimum performance in their work. A satisfied employee can always turnout expected performance.
- (ii) Motivation helps to change negative or indifferent attitudes of employee to positive attitudes to achieve organisational goals. For example, a worker may have indifferent or negative attitude towards his work, if he is not rewarded properly
- (iii) Motivation helps to reduce employee turnover and thereby saves the cost of new recruitment and training. The main reason for high rate of employee turnover is lack of motivation. If managers identify motivational needs of employees and provide suitable incentives, employees may not think of leaving the organisation.
- (iv) Motivation helps to reduce absenteeism in the organisation. Some important reasons for absenteeism are—bad working conditions, inadequate rewards, lack of recognition, poor relations with supervisors and colleagues etc.
- (v) Motivation helps managers to introduce changes smoothly without much resistance from people. Normally, for any change introduced in the organisation, there may be resistance for changes.



Maslow's Need Hierarchy Theory of Motivation

Abraham Maslow, a well-known Psychologist in a classic paper published in 1943, outlined the elements of an overall theory of motivation. His theory was based on human needs. He felt that within every human being, there exists a hierarchy of five needs.



He felt that within every human being, there exists a hierarchy of five needs. These are:

1. **Basic Physiological Needs:** These needs are most basic in the hierarchy and corresponds to primary needs. Hunger, thirst, shelter, sleep and sex are some examples of these needs. In the organisational context, basic salary helps to satisfy these needs.
2. **Safety/Security Needs:** These needs provide security and protection from physical and emotional harm. Examples: job security, stability of income, Pension plans etc.,
3. **Affiliation/Belonging Needs:** These needs refer to affection, sense of belongingness, acceptance and friendship.
4. **Esteem Needs:** These include factors such as self-respect, autonomy status, recognition and attention.
5. **Self-Actualisation Needs:** It is the highest level of need in the hierarchy. It refers to the drive to become what one can become. These needs include growth, self-fulfilment and achievement of goals.

Maslow's theory is based on the following assumptions:

- (i) People's behaviour is based on their needs. Satisfaction of such needs influences their behaviour.
- (ii) People's needs are in hierarchical order, starting from basic needs to other higher-level needs.
- (iii) A satisfied need can no longer motivate a person; only next higher-level need can motivate him.
- (iv) A person moves to the next higher level of the hierarchy only when the lower need is satisfied.

Financial and Non-Financial Incentives

The financial incentives generally used in organisations are listed below:

- (i) Pay and allowances: For every employee, salary is the basic monetary incentive. It includes basic pay, dearness allowance and other allowances. Salary system consists of regular increments in the pay every year and enhancement of allowances from time-to-time.
- (ii) Productivity linked wage incentives: Several wage incentive plans aims at linking payment of wages to increase in productivity at individual or group level.
- (iii) Bonus: Bonus is an incentive offered over and above the wages/ salary to the employees.
- (iv) Profit Sharing: Profit sharing is meant to provide a share to employees in the profits of the organisation. This serves to motivate the employees to improve their performance and contribute to increase in profits.
- (v) Co-partnership/ Stock option: Under these incentive schemes, employees are offered company shares at a set price which is lower than market price. Sometimes, management may allot shares in line of various incentives payable in cash. The allotment of shares creates a feeling of ownership to the employees and makes them to contribute for the growth of the organisation. In Infosys the scheme of stock option has been implemented as a part of managerial compensation.
- (vi) Retirement Benefits: Several retirement benefits such as provident fund, pension, and gratuity provide financial security to employees after their retirement. This acts as an incentive when they are in service in the organisation.
- (vii) Perquisites: In many companies' perquisites and fringe benefits are offered such as car allowance, housing, medical aid, and education to the children etc., over and above the salary. These measures help to provide motivation to the employees/ managers

Non-Financial Incentives

1. Status: In the organisational context, status means ranking of positions in the organisation. The authority, responsibility, rewards, recognition, perquisites and prestige of job indicate the status given to a person holding a managerial position. Psychological, social and esteem needs of an individual are satisfied by status given to their job.
2. Organisational Climate: Organisational climate indicates the characteristics which describe an organisation and distinguish one organisation from the other. These characteristics influence the behaviour of individuals in the organisation. Some of these characteristics are—individual autonomy, reward orientation, consideration to employees, risk-tasking etc
3. Career Advancement Opportunity: Every individual wants to grow to the higher level in the organisation. Managers should provide opportunity to employees to improve their skills and be promoted to the higher-level jobs.
4. Job Enrichment: Job enrichment is concerned with designing jobs that include greater variety of work content, require higher level of knowledge and skill; give workers more autonomy and responsibility; and provide the opportunity for personal growth and a meaningful work experience.
5. Employee Recognition programmes: Most people have a need for evaluation of their work and due recognition. They feel that what they do should be recognised by others concerned. Recognition means acknowledgment with a show of appreciation. Some examples of employee recognition are:
 - Congratulating the employee for good performance.
 - Displaying on the notice board or in the company newsletter about the achievement of employee.
 - Installing award or certificate for best performance.
 - Distributing mementos, complimentary goodies like T-shirts in recognition of employee services.
 - Rewarding an employee for giving valuable suggestions.
6. Job security: Employees want their job to be secure. They want certain stability about future income and work so that they do not feel worried on these aspects and work with greater zeal. In India, this aspect is more important considering the inadequate job opportunities and too many aspirants for these.
7. Employee participation: It means involving employees in decision making of the issues related to them. In many companies, these programmes are in practice in the form of joint management committees, work committees, canteen committees etc.,
8. Employee Empowerment: Empowerment means giving more autonomy and powers to subordinates. Empowerment makes people feel that their jobs are important. This feeling contributes positively to the use of skills and talents in the job performance.

Leadership

Meaning

Leadership is the process of influencing the behaviour of people by making them strive voluntarily towards achievement of organisational goals. Leadership indicates the ability of an individual to maintain good interpersonal relations with followers and motivate them to contribute for achieving organisational objectives.

Features of Leadership

- (i) Leadership indicates ability of an individual to influence others.
- (ii) Leadership tries to bring change in the behaviour of others.
- (iii) Leadership indicates interpersonal relations between leaders and followers.
- (iv) Leadership is exercised to achieve common goals of the organisation.
- (v) Leadership is a continuous process

Importance

- (i) Leadership influences the behaviour of people and makes them to positively contribute their energies for the benefit of the organisation. Good leaders always produce goods results through their followers.
- (ii) A leader maintains personal relations and helps followers in fulfilling their needs. He provides needed confidence, support and encouragement and thereby creates congenial work environment.
- (iii) Leader plays a key role in introducing required changes in the organisation. He persuades, clarifies and inspires people to accept changes whole-heartedly. Thus, he overcomes the problem of resistance to change and introduces it with minimum discontentment.
- (iv) A leader handles conflicts effectively and does not allow adverse effects resulting from the conflicts. A good leader always allows his followers to ventilate their feelings and disagreement but persuades them by giving suitable clarifications.
- (v) Leader provides training to their subordinates. A good leader always builds up his successor and helps in smooth succession process.

Qualities of a Successful Leader

- (i) Physical features: Physical features like height, weight, health, appearance determine the physical personality of an individual. It is believed that good physical features attract people. Health and endurance help a leader to work hard which inspires others to work with same tempo.
- (ii) Knowledge: A good leader should have required knowledge and competence. Only such person can instruct subordinates correctly and influence them.
- (iii) Integrity: A leader should possess high level of integrity and honesty. He should be a role model to others regarding the ethics and values.
- (iv) Initiative: A leader should have courage and initiative. He should not wait for opportunities come to his way, rather he should grab the opportunity and use it to the advantage of organisation.
- (v) Communication skills: A leader should be a good communicator. He should have the capacity to clearly explain his ideas and make the people to understand his ideas. He should be not only good speaker but a good listener, teacher, counsellor and persuader.
- (vi) Motivation skills: A leader should be an effective motivator. He should understand the needs of people and motivate them through satisfying their needs.
- (vii) Self Confidence: A leader should have high level of self-confidence. He should not lose his confidence even in most difficult times. In fact, if the leader lacks self-confidence, he cannot provide confidence to his followers.
- (viii) Decisiveness: Leader should be decisive in managing the work. Once he is convinced about a fact, he should be firm and should not change opinions frequently.
- (ix) Social skills: A leader should be sociable and friendly with his colleagues and followers. He should understand people and maintain good human relations with them.

Communication

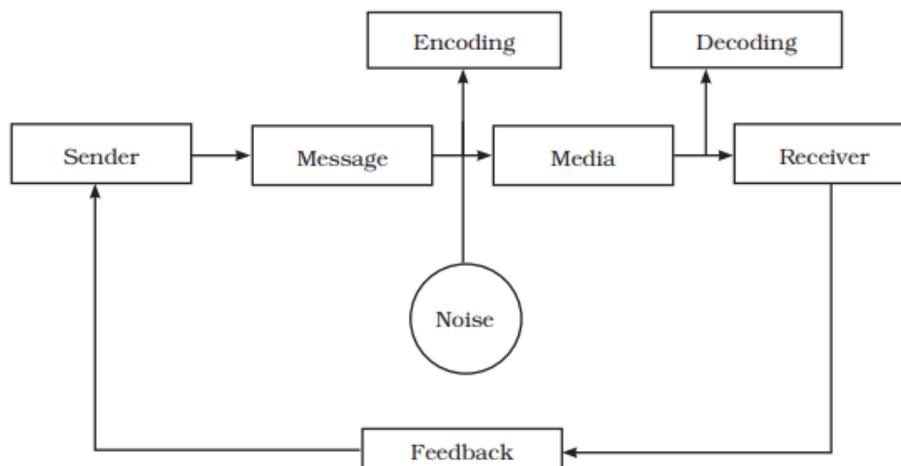
Meaning

The word communication has been derived from the Latin word 'communis' which means 'common' which consequently implies common understanding. Communication is defined in different ways. Generally, it is understood as a process of exchange of ideas, views, facts, feelings etc., between or among people to create common understanding.

Elements of Communication Process

The elements involved in communication process are explained below:

- (i) Sender: Sender means person who conveys his thoughts or ideas to the receiver. The sender represents source of communication.
- (ii) Message: It is the content of ideas, feelings, suggestions, order etc., intended to be communicated.
- (iii) Encoding: It is the process of converting the message into communication symbols such as words, pictures, gestures etc.,
- (iv) Media: It is the path through which encoded message is transmitted to receiver. The channel may be in written form, face to face, phone call, internet etc.,
- (v) Decoding: It is the process of converting encoded symbols of the sender.
- (vi) Receiver: The person who receives communication of the sender.
- (vii) Feedback: It includes all those actions of receiver indicating that he has received and understood message of sender.
- (viii) Noise: Noise means some obstruction or hindrance to communication. This hindrance may be caused to sender, message or receiver. Some examples of noise are:
 - (a) Ambiguous symbols that lead to faulty encoding.
 - (b) A poor telephone connection.
 - (c) An inattentive receiver.
 - (d) Faulty decoding (attaching wrong meanings to message).
 - (e) Prejudices obstructing the poor understanding of message.
 - (f) Gestures and postures that may distort the message.



Importance of Communication

1. Acts as basis of coordination: Communication acts as basis of coordination. It provides coordination among departments, activities and persons in the organisation.
2. Helps in smooth working of an enterprise: Communication makes possible for the smooth and unrestricted working of the enterprise. All organisational interactions depend on communications. The job of a manager is to coordinate the human and physical elements of an organisation into an efficient and active working unit that achieves common objectives.
3. Acts as basis of decision making: Communication provides needed information for decision making. In its absence, it may not be possible for the managers to take any meaningful decision. Only based on communication of relevant information one can take right decision.
4. Increases managerial efficiency: Communication is essential for quick and effective performance of managerial functions. The management conveys the goals and targets, issues instructions, allocates jobs and responsibilities and looks after the performance of subordinates.
5. Promotes cooperation and industrial peace: Efficient operation is the aim of all prudent management. It may be possible only when there is industrial peace in the factory and cooperation between management and workers. The two-way communication promotes cooperation and mutual understanding between the management and workers.
6. Establishes effective leadership: Communication is the basis of leadership. Effective communication helps to influence subordinates. While influencing people, leader should possess good communication skills.
7. Boosts morale and provides motivation: An efficient system of communication enables management to motivate, influence and satisfy the subordinates. Good communication assists the workers in their adjustment with the physical and social aspect of work. It improves good human relations in industry.

Formal Communication

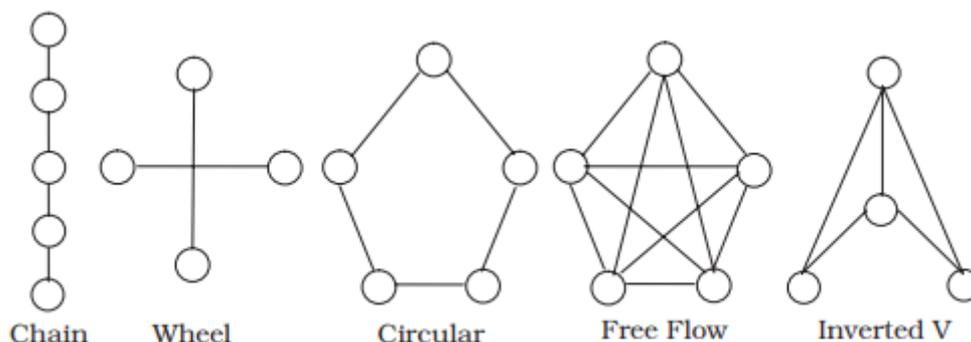
Formal Communication

Formal communication flows through official channels designed in the organisation chart. This communication may take place between a superior and subordinate, a subordinate and superior or among same cadre employees or managers. The communications may be oral or written but generally recorded and filed in the office. Formal communication may be further classified as – Vertical and Horizontal.

1. Vertical communication flows vertically i.e., upwards or downwards through formal channels. Upward communications refer to flow of communication from subordinate to superior whereas downward communication indicates communication from a superior to subordinate. The examples of upward communication are – application for grant of leave submission of progress report, request for grants etc.
2. Horizontal or lateral communication takes place between one division and another. For example, a production manager may contact marketing manager to discuss about schedule of product delivery, product design, quality etc

The pattern through which communication flows within the organisation is generally indicated through communication network. Different types of communication networks may operate in formal organisation. Some of the popular communication networks are presented and discussed in given figure.

- (i) Single chain: This network exists between a supervisor and his subordinates. Since many levels exist in an organisation structure, communication flows from every superior to his subordinate through single chain.
- (ii) Wheel: In wheel network, all subordinates under one superior communicate through him only as he acts as a hub of the wheel. The subordinates are not allowed to talk among themselves.
- (iii) Circular: In circular network, the communication moves in a circle. Each person can communicate with his adjoining two persons. In this network, communication flow is slow.
- (iv) Free flow: In this network, each person can communicate with others freely. The flow of communication is fast in this network.
- (v) Inverted V: In this network, a subordinate can communicate with his immediate superior as well as his superiors' superior. However, in later case, only prescribed communication takes place.



Informal Communication

Communication that takes place without following the formal lines of communication is said to be informal communication. Information system of communication is generally referred to as the 'grapevine' because it spreads throughout the organisation with its branches going out in all directions in utter disregard to the levels of authority.

Grapevine Network

Grapevine communication may follow different types of network. Some of these networks are shown in figure given below. In single strand network, each person communicates to the other in sequence. In gossip network, each person communicates with all on nonselective basis. In probability network, the individual communicates randomly with other individual. In cluster, the individual communicates with only those people whom he trusts of these four types of networks. Cluster is the most popular in organisations.

Barriers to Communication (Semantic)

Semantic barriers: Semantics is the branch of linguistics dealing with the meaning of words and sentences. Semantic barriers are concerned with problems and obstructions in the process of encoding and decoding of message into words or impressions. These are discussed below:

1. Badly expressed message: Sometimes intended meaning may not be conveyed by a manager to his subordinates. These badly expressed messages may be an account of inadequate vocabulary, usage of wrong words, omission of needed words etc.
2. Symbols with different meanings: A word may have several meanings. Receiver must perceive one such meaning for the word used by communicator. For example, consider these three sentences where the word 'value' is used:
 - I. What is the value of this ring?
 - II. I value our friendship.
 - III. What is the value of learning computer skills?
3. Faulty translations: Sometimes the communications originally drafted in one language (e.g., English) need to be translated to the language understandable to workers (e.g., Hindi). If the translator is not proficient with both the languages, mistakes may creep in causing different meanings to the communication.
4. Unclear assumptions: Some communications may have certain assumptions which are subject to different interpretations. For example, a boss may instruct his subordinate, "Take care of our guest". Boss may mean that subordinate should take care of transport, food, accommodation of the guest until he leaves the place.
5. Technical jargon: It is usually found that specialists use technical jargon while explaining to persons who are not specialists in the concerned field. Therefore, they may not understand the actual meaning of many such words.
6. Body language and gesture decoding: Every movement of body communicates some meaning. The body movement and gestures of communicator matter so much in conveying the message. If there is no match between what is said and what is expressed in body movements, communications may be wrongly perceived.

Barriers to Communication (Psychological Barriers)

Emotional or psychological factors acts as barriers to communicators. For example, a worried person cannot communicate properly, and an angry receiver cannot understand the real meaning of message. The state of mind of both sender and receiver of communication reflects in the effective communication. Some of the psychological barriers are:

1. Premature evaluation: Sometimes people evaluate the meaning of message before the sender completes his message. Such premature evaluation may be due to pre-conceived notions or prejudices against the communication.
2. Lack of attention: The preoccupied mind of receiver and the resultant non-listening of message acts as a major psychological barrier. For instance, an employee explains about his problems to the boss who is pre-occupied with an important file before him. The boss does not grasp the message and the employee is disappointed.
3. Loss by transmission and poor retention: When communication passes through various levels, successive transmissions of the message results in loss of, or transmission of inaccurate information. This is more so in case of oral communication. Poor retention is another problem.
4. Distrust: Distrust between communicator and communicate acts as a barrier. If the parties do not believe each other, they cannot understand each other's message in its original sense

Barriers to Communication (Organizational Barriers)

The factors related to organisation structure, authority relationships, rules and regulations may, sometimes, act as barriers to effective communication. Some of these barriers are:

1. Organisational policy: If the organisational policy, explicit or implicit, is not supportive to free flow of communication, it may hamper effectiveness of communications. For example, in an organisation with highly centralised pattern, people may not be encouraged to have free communication.
2. Rules and regulations: Rigid rules and cumbersome procedures may be a hurdle to communication. Similarly, communications through prescribed channel may result in delays.
3. Status: Status of superior may create psychological distance between him and his subordinates. A status conscious manager also may not allow his subordinates to express their feelings freely.
4. Complexity in organisation structure: In an organisation where there are number of managerial levels, communication gets delayed and distorted as number of filtering points are more.
5. Organisational facilities: If facilities for smooth, clear and timely communications are not provided communications may be hampered. Facilities like frequent meetings, suggestion box, complaint box, social and cultural gathering, transparency in operations etc., will encourage free flow of communication. Lack of these facilities may create communication problems.

Barriers to Communication (Personal)

The personal factors of both sender and receiver may exert influence on effective communication. Some of the personal barriers of superiors and subordinates are mentioned below:

1. Fear of challenge to authority: If a superior perceives that a communication may adversely affect his authority, he or she may withhold or suppress such communication.
2. Lack of confidence of superior on his subordinates: If superiors do not have confidence on the competency of their subordinates, they may not seek their advice or opinions.
3. Unwillingness to communicate: Sometimes, subordinates may not be prepared to communicate with their superiors if they perceive that it may adversely affect their interests.
4. Lack of proper incentives: If there is no motivation or incentive for communication, subordinates may not take initiative to communicate. For example, if there is no reward or appreciation for a good suggestion, the subordinates may not be willing to offer useful suggestions.

Improving Communication Effectiveness

1. Clarify the ideas before communication: The problem to be communicated to subordinates should be clear in all its perspective to the executive himself. The entire problem should be studied, analysed and stated in such a manner that is clearly conveyed to subordinates.
2. Communicate according to the needs of receiver: The level of understanding of receiver should be crystal clear to the communicator. Manager should adjust his communication according to the education and understanding levels of subordinates.
3. Consult others before communicating: Before communicating the message, it is better to involve others in developing a plan for communication. Participation and involvement of subordinates may help to gain ready acceptance and willing cooperation of subordinates.
4. Be aware of languages, tone and content of message: The contents of the message, tone, language used, way the message is to be communicated are the important aspects of effective communication. The language used should be understandable to the receiver and should not offend the sentiments of listeners.
5. Convey things of help and value to listeners: While conveying message to others, it is better to know the interests and needs of the people with whom you are communicating.
6. Ensure proper feedback: The communicator may ensure the success of communication by asking questions regarding the message conveyed. The receiver of communication may also be encouraged to respond to communication.
7. Communicate for present as well as future: Generally, communication is needed to meet the existing commitments, to maintain consistency, the communication should aim at future goals of the enterprise also.
8. Follow up communications: There should be regular follow up and review on the instructions given to subordinates. Such follow up measures help in removing hurdles if any in implementing the instructions.
9. Be a good listener: Manager should be a good listener. Patient and attentive listening solves half of the problems. Managers should also give indications of their interest in listening to their subordinates.