

## Unit IV

Subject Name	Sub Code	Semester	Prepared by
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### Directing

Directing function is concerned with managing the human assets of the organization.

A manager is concerned directly with influencing, guiding or supervising the subordinates.

### Definition

**Koontz and O Donnel** defines directing as “the interpersonal aspect of managing by which the subordinates are led to understand and contribute effectively and efficiently to the attainment of enterprise objectives”.

### Characteristics of Directing

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- The toplevel manager’s concern with the direction function is broader in scope.
- It is a function of superior manager. It runs down the organization structure in a scalar chain.
- It is not merely concerned with issuing orders and instructions, but also guiding and counselling the subordinates for doing a job.
- It is concerned with the supervision of the performance of the subordinates.
- The manager has tom coordinate with the supervision of the performance of the subordinates.
- There are four important aspects of directing- supervision, motivation, leadership and communication.

### Scope of Directing

#### 1. Employee Orientation

- Employees must know the environments of the enterprise in which they are working.
- They should be told the objectives and policies of the enterprise.
- Employee orientation is a continuous process.

- The changes in policies and factors should be introduced to achieve a desired objective.

## **2. Supervision**

- The function of directing does not end merely with the issue of orders and instructions.
- The manager has to see that work is properly carried out by the subordinates.
- Supervision is done at all levels of management.
- The top management supervises the middle management and the latter supervise the work of lower level management.

## **3. Motivation**

- Management is defined as the art of getting work done through others.
- No two individuals are alike. People differ in individual performance.
- Proper training is given to employees with poor performance.
- Rewards are given to motivate employees.

## **Coordination**

### **Definition**

Different people or things work together to achieve specific goals or aims.

### **Importance**

1. Encourages team spirit
2. Gives proper direction
3. Facilitates motivation
4. Optimum utilization of resources
5. Leads to higher efficiency
6. Improves relations in the organization

### **Advantages**

1. Efficiency and effectiveness
2. Unity of direction
3. Good Human Relation
4. Organizational effectiveness.

### **Principles of Coordination**

1. Principle of Early Stage
2. Principle of Continuity
3. Principle of Direct Contact

- 4.Principle of Reciprocal relations
- 5.Principle of effective communication
- 6.Principle of Mutual Respect
- 7.Principle of Clarity of objectives
- 8.Principle of Scalar Chain

### **1.Principle of Early Stage**

Coordination should be practiced in a business enterprise in the initial stage itself. There are different functions like Production, Marketing, Finance and Human Resource to be integrated for better performance.

### **2.Principle of Continuity**

Coordination is a continuous process to be followed in business which helps in smooth functioning.

### **3.Principle of Direct Contact**

Coordination leads to better contact between various departments and helps to develop good interaction.

### **4.Principle of Reciprocal relations**

Coordination leads to interdependence between various departments like Production, Marketing, Finance and Human Resources. These departments interact with each other and are dependent upon one another to help in reaching objectives of business.

**5.Principle of effective communication** This principle indicates that coordination can be reached through good communication between members in various departments of the organisation.

### **6.Principle of Mutual Respect**

When members work together in an integrated manner it leads to good relationship and building up mutual respect towards each other.

### **7.Principle of Clarity of objectives**

When objectives of the organisation are clearly defined it leads to better integration between members. They work together for accomplishment of enterprise objectives.

### **8.Principle of Scalar chain**

This principle highlights that flow of authority should be strictly followed in an organisation to promote better integration and coordination between members in reaching the goals of the organisation.

## **Staffing**

**Staffing** can be defined as one of the most **important** functions of management. It involves the process of filling the vacant position of the right personnel at the right job, at right time. Thus it can be said that it is **staffing** is an essential function of every business organization.

### **Importance of Staffing**

The basis of **staffing function** is efficient **management** of personnels-

Human resources can be efficiently managed by a system or proper procedure, that is, recruitment, selection, placement, training and development, providing remuneration, etc. **Staffing** helps in placing right men at the right job.

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### **Manpower Planning**

Manpower Planning which is also called as Human Resource Planning consists of putting right number of people, right kind of people at the right place, right time, doing the right things for which they are suited for the achievement of goals of the organization. Human Resource Planning has got an important place in the arena of industrialization. Human Resource Planning has to be a systems approach and is carried out in a set procedure. The procedure is as follows:

1. Analysing the current manpower inventory
2. Making future manpower forecasts
3. Developing employment programmes
4. Design training programmes

### **Steps in Manpower Planning**

#### **1. Analysing the current manpower inventory-**

- Type of organization
- Number of departments

Before a manager makes forecast of future manpower, the current manpower status has to be analysed. For this the following things have to be noted-

**2. Making future manpower forecasts-** Once the factors affecting the future manpower forecasts are known, planning can be done for the future manpower requirements in several work units. i. **Expert Forecasts:** This includes informal decisions, formal expert surveys and Delphi technique.

- ii. **Trend Analysis:** Manpower needs can be projected through extrapolation (projecting past trends), indexation (using base year as basis), and statistical analysis (central tendency measure).
- iii. **Work Load Analysis:** It is dependent upon the nature of work load in a department, in a branch or in a division.
- iv. **Work Force Analysis:** Whenever production and time period has to be analysed, due allowances have to be made for getting net manpower requirements.
- v. **Other methods:** Several Mathematical models, with the aid of computers are used to forecast manpower needs, like budget and planning analysis, regression, new venture analysis.

The Manpower forecasting techniques commonly employed by the organizations are as follows:

**3. Developing employment programmes-** Once the current inventory is compared with future forecasts, the employment programmes can be framed and developed accordingly, which will include recruitment, selection procedures and placement plans.

**4. Design training programmes-** These will be based upon extent of diversification, expansion plans, development programmes, etc. Training programmes depend upon the extent of improvement in technology and advancement to take place. It is also done to improve upon the skills, capabilities, knowledge of the workers.

### **Importance of Manpower Planning**

1. **Key to managerial functions-** The four managerial functions, i.e., planning, organizing, directing and controlling are based upon the manpower. Human resources help in the implementation of all these managerial activities. Therefore, staffing becomes a key to all managerial functions.
2. **Efficient utilization-** Efficient management of personnel becomes an important function in the industrialization world of today. Setting of large scale enterprises require management of large scale manpower. It can be effectively done through staffing function.
3. **Motivation-** Staffing function not only includes putting right men on right job, but it also comprises of motivational programmes, i.e., incentive plans to be framed for further participation and employment of employees in a concern. Therefore, all types of incentive plans becomes an integral part of staffing function.

**4. Better human relations-** A concern can stabilize itself if human relations develop and are strong. Human relations become strong through effective control, clear communication, effective supervision and leadership in a concern. Staffing function also looks after training and development of the work force which leads to co-operation and better human relations.

**5. Higher productivity-** Productivity level increases when resources are utilized in best possible manner. Higher productivity is a result of minimum wastage of time, money, efforts and energies. This is possible through the staffing and its related activities ( Performance appraisal, training and development, remuneration)

### **Need of Manpower Planning**

Manpower Planning is a two-phased process because manpower planning not only analyses the current human resources but also makes manpower forecasts and thereby draw employment programmes. Manpower Planning is advantageous to firm in following manner:

1. Shortages and surpluses can be identified so that quick action can be taken wherever required.
2. All the recruitment and selection programmes are based on manpower planning.
3. It also helps to reduce the labour cost as excess staff can be identified and thereby overstaffing can be avoided.
4. It also helps to identify the available talents in a concern and accordingly training programmes can be chalked out to develop those talents.
5. It helps in growth and diversification of business. Through manpower planning, human resources can be readily available and they can be utilized in best manner.
6. It helps the organization to realize the importance of manpower management which ultimately helps in the stability of a concern.

### **Motivation**

#### **Motivation Concepts and Theories**

There are **3 components of motivation**:

- direction – what a person is trying to do
- effort – how hard a person is trying
- persistence – how long a person keeps on trying

## **2 types of factors that influence motivation:**

- **Intrinsic** – self generated factors (responsibility, freedom to act, scope to use and develop skills and abilities, interesting and challenging work, opportunities for advancement) – they have a deeper and longer-term effect

Extrinsic – what is done for people to motivate them (rewards, promotion, punishment) – they have an immediate and powerful effect, but won't necessarily last long

- In other words: Intrinsic motivation comes from a person's internal desire to do something. Reasons may be that a particular activity gives him or her pleasure, helps to develop a particular skill or seems to be the right thing to do in moral / ethical terms. Extrinsic motivation is generated by external factors that are less related to the particular task.

## **Maslows hierarchy of needs Theory**

Maslows hierarchy of needs

- If a lower need is satisfied, it no longer motivates behavior; the next higher one becomes dominant. (Deficit principle)

- The five needs exist in a hierarchy. Higher needs only become important when lower needs are satisfied

- Higher-order needs provide greater motivation.

- Different people may have different priorities.

- The theory helps managers to identify which particular needs are relevant for employees and thus to determine appropriate motivators.

## **Alderfer's ERG Theory**

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## **McClelland's needs Theory**

Based mainly on studies of managers. 3 most important needs:

- **achievement** – need for competitive success measured against a personal standard of excellence
- **affiliation** – need for warm, friendly relationships with others, interpersonal relationships
- **power** – need to control and influence others

The hierarchy of these three groups of needs may differ from individual to individual. Hence, there are different motivators depending on a person's high-priority needs.

### **Herzbergs two-factor model**

There are some factors that result in satisfaction and some factors that just prevent dissatisfaction. According to Herzberg, the opposite of Satisfaction is No Satisfaction and the opposite of Dissatisfaction is No Dissatisfaction.

- **Motivators** – factors that really motivate people, also called satisfiers, provide intrinsic motivation *Examples for Motivators*: recognition, growth and career development opportunities, responsibility, autonomy, self-fulfillment
- **Hygiene factors** – dissatisfiers; their absence would demotivate people, but their presence not necessarily improves motivation; essentially describe the environment, little effect on positive job attitudes *Examples for Hygiene factors*: salary, work conditions, relationships with superiors and peers, company policy.

### **Leadership**

#### **Meaning and Definitions:**

Leadership is the ability to build up confidence and zeal among people to create an urge them to be led. To be a successful leader, a manager must possess the qualities of foresight, drive, initiative, self-confidence and personal integrity. Different situations may demand different types of leadership. Leadership has been defined in various ways. Stogdill has rightly remarked that there are almost as many definitions of leadership as there are people who have tried to define it.

“Leadership is the ability of a manager to induce subordinates to work with confidence and zeal.”—**Koontz and O'Donnell.**

“Leadership is the exercise of authority and making of decisions.”—**Dubin, R.**

“Leadership is the ability to secure desirable actions from a group of followers voluntarily, without the use of coercion.”—**Allford and Beaty.**



“Leadership is the activity of influencing people to strive willingly for group objectives.”—  
**George R. Terry.**

### **Nature and Characteristics:**

#### **characteristics of leadership:**

- 1- Leadership is a personal quality.
2. It exists only with followers. If there are no followers, there is no leadership.
3. It is the willingness of people to follow that makes person a leader.
4. Leadership is a process of influence. A leader must be able to influence the behaviour, attitude and beliefs of his subordinates.
5. It exists only for the realization of common goals.
6. It involves readiness to accept complete responsibility in all situations.
7. Leadership is the function of stimulating the followers to strive willingly to attain organisational objectives.
8. Leadership styles do change under different circumstances.
9. Leadership is neither bossism nor synonymous with management.

### **Leadership Styles or Types of Leaders:**

1. Autocratic or authoritarian style leader.
2. Laissez-faire or Free-rein style leader.
3. Democratic or participative style leader.
4. Paternalistic style leader.

#### **1. Autocratic or Authoritarian Style Leader:**

An autocratic also known as authoritarian style of leadership implies yielding absolute power. Under this style, the leader expects complete obedience from his subordinates and all decision-making power is centralized in the leader. No suggestions or initiative from subordinates is entertained. The leader forces the subordinates to obey him without questioning. An autocratic leader is, in fact, no leader. He is merely the formal head of the organisation and is generally disliked by the subordinates. The style of leadership may be practiced to direct those subordinates who feel comfortable to depend completely on the leader.

#### **2. Laissez-faire or Free-rein Style Leader:**

Under this type of leadership, maximum freedom is allowed to subordinates. They are given free had in deciding their own policies and methods and to make independent decisions. The leader

provides help only when required by his subordinates otherwise he does not interfere in their work. The style of leadership creates self-confidence in the workers and provides them an opportunity to develop their talents. But it may not work under all situations with all the workers and under all situations. Such leadership can be employed with success where workers are competent, sincere and self-disciplined.

### **3. Democratic or Participative Style Leader:**

The democratic or participative style of leadership implies compromise between the two extremes of autocratic and laissez-fair style of leadership. Under this style, the supervisor acts according to the mutual consent and the decisions reached after consulting the subordinates. Subordinates are encouraged to make suggestions and take initiative. It provides necessary motivation to the workers by ensuring their participation and acceptance of work methods. Mutual trust and confidence is also created resulting in job satisfaction and improved morale of workers. It reduces the number of complaints, employee's grievances, industrial unrest and strikes. But this style of leadership may sometimes cause delay in decisions and lead to indiscipline in workers.

### **4. Paternalistic Style Leader:**

This style of leadership is based upon sentiments and emotions of people. A paternalistic leader is like a father to his subordinates. He looks after the subordinates like a father looks after his family. He helps guides and protects all of his subordinates but under him no one grows. The subordinates become dependent upon the leader.

## **II. Formal and Informal Leader:**

1. Formal Leader
2. Informal Leader

### **1. Formal Leader:**

A formal leader is one who is formally appointed or elected to direct and control the activities of the subordinates. He is a person created by the formal structure, enjoys organisational authority and is accountable to those who have elected him in a formal way. The formal leader has a two-fold responsibility. On the one hand, he has to fulfill the demands of the organisation, while on the other he is also supposed to help, guide and direct his subordinates in satisfying their needs and aspirations.

## **2. Informal Leader:**

Informal leaders are not formally recognized. They derive authority from the people who are under their influence. In any organisation we can always find some persons who command respect and who are approached to help guide and protect the interest of the people. They are known as informal leaders. The informal leaders have only one task to perform, i.e., to help their followers in achieving their individual and group goals. Informal leaders are created to satisfy those needs which are not satisfied by the formal leaders. An organisation can make effective use of informal leaders to strengthen the formal leadership.

### **Qualities of a Leader**

- Integrity.
- Ability to delegate.
- Communication.
- Self-awareness.
- Gratitude.
- Learning agility.
- Influence.
- Empathy.

**The Contents in this E-Material has been taken from the text and reference book as given in the syllabus.**