

UNIT 3

Directing:

According to S.S. Chatterjee_____” The term direction is the sum total of managerial efforts that is applied for guiding and inspiring the working teams to make better accomplishments in the organization.

Nature of Directing

1. **Part of Managerial Process:** It is a significant part of the managerial process. The managerial process initiated by planning, organizing, staffing is then followed by directing and lastly controlling, to conclude the process of getting the work done by others.
2. **Initiating Function:** It initiates action in the organization. It is a key managerial function which initiates the process by giving commands and instructions to transform decisions, taken by the management, into actions.
3. **Never-Ending Process:** It is a never ending activity. The managers have to continuously direct the tasks given to subordinates till they are a part of the organization and are responsible towards accomplishing the organizational goals.
4. **Action-Oriented:** Directing initiates action in an organization. The plans prepared for achieving the pre-determined organizational goals are transformed into organized processes with the help of the direction function.
5. **Linking Function:** It act as link between planning, organizing, staffing and controlling in the managerial process of achieving the organizational objectives.
6. **Creative Function:** It is directing, Which helps in turning action plans into actual implementation processes. Human resources and other physical resources may become slugging and pointless in the absence of direction.

Process of Directing

1. **Define the Objectives:** The first step in the directing process deals with defining the objectives. Every manager should explain and convey these defined objectives in term of performance.
2. **Organizing the Efforts:** This step focuses on organizational efforts and their organization. Here, the manager studies the tasks, decisions and employee relations, so as to help in imparting appropriate advice, better control and effective management on the basis of his personal elucidations and definitions.
3. **Measure the Work:** The next step involves building a standard for measuring the work performed by the employees. This scale helps the managers in determining the performance of the employees in term of efficiency in carrying out the assigned tasks.

4. **Developing the people:** In the final step of direction, the manager focuses on improving the performance of his subordinates along with his own performance. The manager encourages his subordinates to work with honesty, integrity and also boosts their confidence levels.

Importance

1. Helps in Achieving Coordination
2. Means of Motivation
3. Helps in Adapting with Environmental Changes
4. Directing Attempts to get Maximum Output from Individuals
5. Facilitates Achievement of Organisational Goals
6. Better Human Relations
7. Directing Complements Other Managerial Functions.
8. Directing facilitates Order and Discipline among Employees.

Scope of Directing:

The scope or importance of the directing in the organization lies in the fact that every action is initiated through direction. Directing informs the human beings in the organization what he should do, how he should do, and when he should do. The scope of the directing in the organization is summarized as follows are asked how the ideas could be combined or improved.

- Directing conveys management perspective of the organization to the individuals and motives them to function in the desired way to meet the organizational objective.
- Directing integrates the employee's individual efforts to make it effective to achieve organization objectives.
- Without having proper motivation, leadership and communication, individual's capability and potential may not be fully utilized.
- Any changes in the society, where the organization exists, will affect the organization structure and the individuals within it.

Motivation:

Lillis:

“It is the stimulation of any emotion or desire operating upon one’s will and promoting or driving it to action.”

Nature of Motivation:

1. Motivation is an inner feeling which energizes a person to work more.

2. The emotions or desires of a person prompt him for doing a particular work.
3. There are unsatisfied needs of a person which disturb his equilibrium.
4. A person moves to fulfill his unsatisfied needs by conditioning his energies.
5. There are dormant energies in a person which are activated by channelizing them into actions.

Primary Motives and Secondary Motives:

Primary motives are related to survival. Hunger, thirst, sleep, and sex are some of the primary motives. These are essential processes that ensure an individual's **survival** and the survival of the species as a whole. Other primary motives are fleeing from danger, looking for protective shelter, and fighting to defend yourself.

Secondary motives are related to people's general growth after a learning

experience. They develop through the interaction between individuals. Just like primary motives, they activate and direct **behavior**. They aren't necessary for human survival, but they play an important role in emotional development and are unique to human beings. Achievement, belonging, and power are examples of secondary motives.

Types of Motivation:

When a manager wants to get more work from his subordinates then he will have to motivate them for improving their performance. They will either be offered incentive for more work, or may be in the space of rewards, better reports, recognition etc., or he may instill fear in them or use force for getting desired work.

Elements of Motivation

The three key elements in motivation are intensity, direction, and persistence:

1. **Intensity:** It describes how hard a person tries. This is the element most of us focus on when we talk about motivation.
2. **Direction:** High intensity is unlikely to lead to favorable job-performance outcomes unless the effort is channeled in a direction that benefits the organization. Therefore, the quality of

effort as well as its intensity matters. Effort directed toward, and consistent with, the organization's goals is the kind of effort one should be seeking.

3. **Persistence:** It measures how long a person can maintain effort. Motivated individuals stay with a task long enough to achieve their goal.

Positive and Negative Motivation:

a. Positive Motivation: It is the reward based motivation which tries to create willingness to perform better. It improves performance, increase mutual cooperation and develops trust between employees and management. Positive motivation may take the form of monetary, nonmonetary or both. Examples
Monetary Incentive:- pay increment, cash reward, bonus payment, leave with pay, profit sharing scheme, retirement benefit and Non monetary Incentive:- promotion, participation in decision-making ,recognition, autonomy or freedom to work, challenging work.

b. Negative Motivation: Negative motivation means the act of forcing employees to work by means of threat and punishment. It involves disciplinary actions. Examples: Monetary: - fines, penalties, pay cut, Non-monetary:- demotion, threat of dismissal from job, transfer to remote areas, and group rejection. Since, this is not good practice. However, sometimes manager may be compelled to use this technique with a view to prevent them from undesirable behavior.

The following are the types of motivation:

1. Positive Motivation:

Positive motivation or incentive motivation is based on reward. The workers are offered incentives for achieving the desired goals. The incentives may be in the shape of more pay, promotion, recognition of work, etc. The employees are offered the incentives and try to improve their performance willingly.

According to Peter Drucker, the real and positive motivators are responsible for placement, high standard of performance, information adequate for self- control and the participation of the worker as a responsible citizen in the plant community. Positive motivation is achieved by the co-operation of employees and they have a feeling of happiness.

2. Negative Motivation:

Negative or fear motivation is based on force or fear. Fear causes employees to act in a certain way. In case, they do not act accordingly then they may be punished with demotions or lay-offs. The fear acts as a push mechanism. The employees do not willingly co-operate, rather they want to avoid the punishment.

Though employees work up-to a level where punishment is avoided but this type of motivation causes anger and frustration. This type of motivation generally becomes a cause of industrial unrest. In spite of the drawbacks of negative motivation, this method is commonly used to achieve desired results. There may be hardly any management which has not used negative motivation at one or the other time.

I.Maslow's Hierarchy of Needs

1. **Physiological needs** - these are biological requirements for human survival, e.g. air, food, drink, shelter, clothing, warmth, sex, sleep.

If these needs are not satisfied the human body cannot function optimally. Maslow considered physiological needs the most important as all the other needs become secondary until these needs are met.

2. **Safety needs** - Once an individual's physiological needs are satisfied, the needs for security and safety become salient. People want to experience order, predictability and control in their lives. These needs can be fulfilled by the family and society (e.g. police, schools, business and medical care).

For example, emotional security, financial security (e.g. employment, social welfare), law and order, freedom from fear social stability, property, health and wellbeing (e.g. safety against accidents and injury).

3. **Love and belongingness needs** - after physiological and safety needs have been fulfilled, the third level of human needs is social and involves feelings of belongingness. The need for interpersonal relationships motivates behavior

Examples include friendship, intimacy, trust, and acceptance, receiving and giving affection and love. Affiliating, being part of a group (family, friends, work).

4. **Esteem needs** are the fourth level in Maslow's hierarchy - which Maslow classified into two categories: (i) esteem for oneself (dignity, achievement, mastery, independence) and (ii) the desire for reputation or respect from others (e.g., status, prestige).

Maslow indicated that the need for respect or reputation is most important for children and adolescents and precedes real self-esteem or dignity.

5. **Self-actualization needs** are the highest level in Maslow's hierarchy, and refer to the realization of a person's potential, self-fulfillment, seeking personal growth and peak experiences. Maslow (1943) describes this level as the desire to accomplish everything that one can, to become the most that one can be.



II. Theory X and Theory Y

In 1960, Douglas McGregor formulated Theory X and Theory Y suggesting two aspects of human behaviour at work, or in other words, two different views of individuals (employees): one of which is negative, called as Theory X and the other is positive, so called as Theory Y. According to McGregor, the perception of managers on the nature of individuals is based on various assumptions.

Assumptions of Theory X

- An average employee intrinsically does not like work and tries to escape it whenever possible.
- Since the employee does not want to work, he must be persuaded, compelled, or warned with punishment so as to achieve organizational goals. A close supervision is required on part of managers. The managers adopt a more dictatorial style.
- Many employees rank job security on top, and they have little or no aspiration/ambition.
- Employees generally dislike responsibilities.
- Employees resist change.
- An average employee needs formal direction.

Assumptions of Theory Y

- Employees can perceive their job as relaxing and normal. They exercise their physical and mental efforts in an inherent manner in their jobs.
- Employees may not require only threat, external control and coercion to work, but they can use self-direction and self-control if they are dedicated and sincere to achieve the organizational objectives.
- If the job is rewarding and satisfying, then it will result in employees' loyalty and commitment to organization.
- An average employee can learn to admit and recognize the responsibility. In fact, he can even learn to obtain responsibility.

- The employees have skills and capabilities. Their logical capabilities should be fully utilized. In other words, the creativity, resourcefulness and innovative potentiality of the employees can be utilized to solve organizational problems.

Thus, we can say that Theory X presents a pessimistic view of employees' nature and behaviour at work, while Theory Y presents an optimistic view of the employees' nature and behaviour at work. If correlate it with Maslow's theory, we can say that Theory X is based on the assumption that the employees emphasize on the physiological needs and the safety needs; while Theory Y is based on the assumption that the social needs, esteem needs and the self-actualization needs dominate the employees.

McGregor views Theory Y to be more valid and reasonable than Theory X. Thus, he encouraged cordial team relations, responsible and stimulating jobs, and participation of all in decision-making process.

Implications of Theory X and Theory Y

- ✓ Quite a few organizations use Theory X today. Theory X encourages use of tight control and supervision. It implies that employees are reluctant to organizational changes. Thus, it does not encourage innovation.
- ✓ Many organizations are using Theory Y techniques. Theory Y implies that the managers should create and encourage a work environment which provides opportunities to employees to take initiative and self-direction. Employees should be given opportunities to contribute to organizational well-being. Theory Y encourages decentralization of authority, teamwork and participative decision making in an organization. Theory Y searches and discovers the ways in which an employee can make significant contributions in an organization. It harmonizes and matches employees' needs and aspirations with organizational needs and aspirations.



III. Herzberg's Two factor Theory (Motivation –Hygiene theory)(Friderick Herzberg)

According to Herzberg, the factors that lead to job satisfaction are separate and distinct from those that lead to job dissatisfaction.

Psychologist Friderick Herzberg proposed the two factor theory believing that an individual's relation to work in basic and one's attitude toward work can very well determine success or failure. This theory has emphasized the role of two set of factors.

- a. **Hygiene factors (maintenance factors/job context):** This factors results in dissatisfaction when they are not present but this do not necessarily motivated employees. E.g. Salary, job security, working condition, status, company procedure, technical supervision interpersonal relation among superior, peer and subordinates.
- b. **Motivating factors (job content):** This factor satisfies the employee's needs for self actualization. E.g. achievement, recognition, responsibility, advancement, the work itself, the possibility of the personal growth.(it is the outcome of the job)

Satisfaction –no satisfaction

Dissatisfaction –no dissatisfaction.

What the person want from their job?

What situation they felt good and bad about the job?

IV. Contemporary Theories:

A. McClelland Three Needs Theory (David McClelland): This theory divides human needs in following category:

- i. **Need for Power:** A need that concerns an individual's need to make an impact on others, influence others, change people or events, and make a difference in life.
 - ii. **Need for affiliation:** A need that concerns individual's need to establish and maintain warm, close, intimate relationship with others.
 - iii. **Need for achievement:** A need that concerns individual's issues of excellence, competition, challenging goals, persistence and overcoming difficulties. It is the extent to which people want to perform challenging or difficult tasks on a high level.
- McClelland asserted (stated) that, a person's needs are influence by their cultural background and life experiences.
 - A person's motivation and effectiveness can be increased through an environment, which provides them with their ideal mix of each of three needs.
 - Needs can be created and changed through training and education program.

V. Expectancy Theory (Victor Vroom): This theory states that, an individual behavior is deriving by the expectation of desired outcome from the activities s/he perform. It assumes that, each individual are rational and s/he takes decision with full conscience.

In other words, Expectancy Theory states that an individual tends to act in a certain way based on the expectation that the act will followed by a given outcome and on the attractiveness of that outcome to the individual. It includes three variables or relationship. They are:

- i. **Expectancy or effort-performance linkage (E P):** It is the probability perceived by the individual that exerting a given amount of effort will lead to a certain level of performance.
- ii. **Instrumentality or performance-reward linkage (P O):** It is the degree to which the individual believes that performing at a particular level is instrumental (means) in attaining the desired outcome.
- iii. **Valence or attractiveness of reward (V):** It is the importance that the individual places on the potential outcome or reward that can be achieved on the job. Valence considers both the goals and needs of the individual.

The key factor of expectancy theory is, understanding an individual's goal and the linkage between effort and performance, between performance and rewards and finally, between rewards and individual goal satisfaction. It emphasis on reward and the individual's perception on reward, that, determine the degree of motivation.

The conclusions of this theory are:

- No universal principle for explaining what motivates an individual.
- An individual should know about, what behavior is expected from his/her by an organization and how s/he is evaluated.
- An individual's perception on reward and goal drive his/her performance not the reward itself.



VI. ERG Theory (Clayton Alderfer): This theory tries to overcome the problem of Maslow's Theory. According to this theory there are three categories of human needs they are:

- i. **Existence needs:** It is related to physiological and safety needs of human beings. E.g. food, shelter, safe working environment etc (basic requirement for existence)
- ii. **Related needs:** It is related to human desire to satisfy interpersonal relationship. These types of needs can be fulfilled by interacting with other people, creating relations, interpersonal safety etc.

- iii. Growth needs: It is related to achieve growth and development while working in organization.

As contrast to Maslow, this theory states that:

- i. An individual may have both higher order and lower order needs at the same time.
- ii. Maslow states that only unfulfilled needs are the prime motivator, however, Aldefer states that, if a person continuously fails to satisfy hi/her higher needs, s/he might return to satisfy lower order needs (i.e. there will be frustration – regression process in the satisfaction of needs.)
- iii. Needs will not follow the rigid hierarchy as Maslow stated in his theory.

Leadership:

Leadership can simply be defined as the ability to influence others. Leadership is the work that is done by the leader.

Nature and Characteristics:

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:

The term 'leadership style, refers to the consistent behaviour pattern of a leader as perceived by people around him. Every leader develops a pattern in the way he handles his subordinates or followers in various situations. The leadership style is the result of the philosophy, personality and experience of the leader. It also depends upon the types of followers and the conditions prevailing in an organisation.

I. Leadership Style Based on Attitude and Behaviour:

According to their attitude and behaviour patterns leaders are classified as under:

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:

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 leader:

1. **Physical appearance-** A leader must have a pleasing appearance. Physique and health are very important for a good leader.
2. **Vision and foresight-** A leader cannot maintain influence unless he exhibits that he is forward looking. He has to visualize situations and thereby has to frame logical programmes.
3. **Intelligence-** A leader should be intelligent enough to examine problems and difficult situations. He should be analytical who weighs pros and cons and then summarizes the situation. Therefore, a positive bent of mind and mature outlook is very important.
4. **Communicative skills-** A leader must be able to communicate the policies and procedures clearly, precisely and effectively. This can be helpful in persuasion and stimulation.
5. **Objective-** A leader has to be having a fair outlook which is free from bias and which does not reflect his willingness towards a particular individual. He should develop his own opinion and should base his judgement on facts and logic.
6. **Knowledge of work-** A leader should be very precisely knowing the nature of work of his subordinates because it is then he can win the trust and confidence of his subordinates.
7. **Sense of responsibility-** Responsibility and accountability towards an individual's work is very important to bring a sense of influence. A leader must have a sense of responsibility towards organizational goals because only then he can get maximum of capabilities exploited in a real sense. For this, he has to motivate himself and arouse and urge to give best of his abilities. Only then he can motivate the subordinates to the best.
8. **Self-confidence and will-power-** Confidence in himself is important to earn the confidence of the subordinates. He should be trustworthy and should handle the situations with full will power
9. **Humanist-** This trait to be present in a leader is essential because he deals with human beings and is in personal contact with them. He has to handle the personal problems of his subordinates with great care and attention. Therefore, treating the human beings on humanitarian grounds is essential for building a congenial environment.
10. **Empathy-** It is an old adage "Stepping into the shoes of others". This is very important because fair judgement and objectivity comes only then. A leader should understand the problems and complaints of employees and should also have a complete view of the needs and aspirations of the employees. This helps in improving human relations and personal contacts with the employees.

Theoretical Approaches to Leadership

Interest in leadership increased during the early part of the twentieth century. Early leadership theories focused on what qualities distinguished between leaders and followers, while subsequent theories looked at other variables such as situational factors and skill levels. Several theoretical approaches have been developed to explain leadership. However, although many different leadership theories have emerged, most can be classified into one of the following

major types. It is important to recognize, however, that these leadership theories are not necessarily mutually exclusive.

Trait theories: Trait theories assume that people inherit certain qualities and traits that make them better suited to leadership. Trait theories often identify particular personality or behavioural characteristics shared by leaders. It is the earliest approach used to study leadership, having been first used more than a century ago. Initially, the focus was on which traits differentiated “great persons” from the masses. Later studies that used this approach examined differences between leaders and non-leaders as well as trait predictions of outcomes. However, the findings were inconsistent.

More recent research has produced more promising results. Several traits that help identify important leadership strengths have been identified and most of these traits also tend to predict leadership outcomes (Kirkpatrick and Locke, 1991; House and Aditya, 1997; Yukl, 1998). A sample of these identified traits with positive implications for successful leadership is presented below.

- Energy and adjustment or stress tolerance
- Integrity
- Prosocial power motivation
- Perseverance or tenacity
- Achievement orientation
- Cognitive ability, social intelligence
- Emotional maturity
- Flexibility
- Self-confidence

Behavioural theories: Behavioural theories of leadership focus on the actions of leaders not on mental qualities or internal states. According to this theoretical approach, people can learn to become leaders through teaching and observation. Behavioural theories emphasize what leaders actually do on the job and the relationship of this behaviour to leader effectiveness. Two major lines of behaviour research are (1) the classification of leadership behaviours into taxonomies and (2) the identification of behaviours related to criteria of leadership effectiveness.

In the 1940s and 1950s, researchers at both the University of Michigan and the Ohio State University sought to identify the leadership behaviours that result in effective performance. Although there were slight differences in the findings of both research groups, the results revealed that subordinates perceive the behaviour of their leader primarily in terms of two independent categories, one dealing with people-oriented behaviours (consideration) and the other with task-oriented behaviours (initiating structure). A highly considerate leader is sensitive to people’s feelings and tries to make things pleasant for his or her followers. On the

other hand, a leader who is high in initiating structure is more concerned about defining task requirements and other aspects of the work agenda. Subsequent research indicated that effective leaders should be high in both consideration and initiating structure behaviours (e.g., Schriesheim, Cogliser, & Neider, 1995).

More recently, Yukl, Wall, and Lepsinger (1990) presented a detailed taxonomy of effective leadership behaviours which included the following 11 categories of behaviour applicable to any leader.

Giving-Seeking Information	Informing
	Clarifying
	Monitoring
Making Decisions	Problem solving
	Planning and organizing
	Consulting and delegating
Influencing People	Motivating
	Recognizing and rewarding
Building Relationships	Supporting
	Networking
	Managing conflict and team building

A considerable amount of research has examined how specific types of leadership behaviour are related to leader effectiveness. This research suggests that leader effectiveness is predicted better by specific behaviours (e.g., clarifying, monitoring, and problem solving) relevant to the leadership situation than broad measures such as consideration and initiating structure.

Situational Contingency Theories: The trait and behavioural perspectives assume that leadership, by itself, has a strong impact on outcomes. Another development in leadership thinking recognizes, however, that outcomes may be more accurately predicted when leader traits and behaviours are considered in relation to situational contingencies—other important aspects of the leadership situation. Toward this end, contingency theories of leadership such as those proposed by Fred Fiedler (1967), Robert House (1971; 1996), and Hersey and Blanchard (1988; 2001) focus on specific variables related to the environment that might determine which particular style of leadership is best suited for the situation. According to these approaches, no leadership style is best in all situations. Success depends upon a number of variables, including the leader’s preferred style, the capabilities and behaviours of the followers, and aspects of the situation.

Communication:

Communications is fundamental to the existence and survival of humans as well as to an organization. It is a process of creating and sharing ideas, information, views, facts, feelings, etc. among the people to reach a common understanding.

Communications Process

Communications is a continuous process which mainly involves three elements viz. sender, message, and receiver. The elements involved in the communication process are explained below in detail:

1. Sender

The sender or the communicator generates the message and conveys it to the receiver. He is the source and the one who starts the communication

2. Message

It is the idea, information, view, fact, feeling, etc. that is generated by the sender and is then intended to be communicated further.

3. Encoding

The message generated by the sender is encoded symbolically such as in the form of words, pictures, gestures, etc. before it is being conveyed.

4. Media

It is the manner in which the encoded message is transmitted. The message may be transmitted orally or in writing. The medium of communication includes telephone, internet, post, fax, e-mail, etc. The choice of medium is decided by the sender.

5. Decoding

It is the process of converting the symbols encoded by the sender. After decoding the message is received by the receiver.

6. Receiver

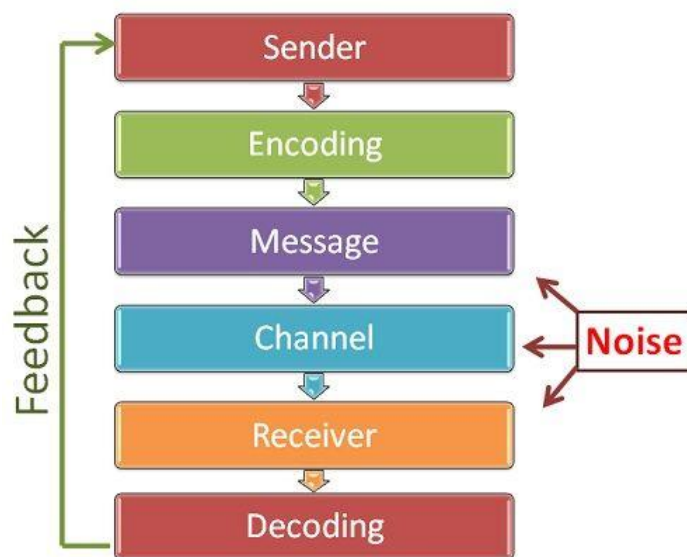
He is the person who is last in the chain and for whom the message was sent by the sender. Once the receiver receives the message and understands it in proper perspective and acts according to the message, only then the purpose of communication is successful.

7. Feedback

Once the receiver confirms to the sender that he has received the message and understood it, the process of communication is complete.

8. Noise

It refers to any obstruction that is caused by the sender, message or receiver during the process of communication. For example, bad telephone connection, faulty encoding, faulty decoding, inattentive receiver, poor understanding of message due to prejudice or inappropriate gestures, etc.



Importance of Communication

1. The Basis of Co-ordination

The manager explains to the employees the organizational goals, modes of their achievement and also the [interpersonal relationships](#) amongst them. This provides coordination between various employees and also departments. Thus, communications act as a basis for coordination in the [organization](#).

2. Fluent Working

A manager coordinates the human and physical elements of an organization to run it smoothly and efficiently. This [coordination](#) is not possible without proper communication.

3. The Basis of Decision Making

Proper communication provides information to the manager that is useful for [decision making](#). No decisions could be taken in the absence of information. Thus, communication is the basis for taking the right decisions.

4. Increases Managerial Efficiency

The manager conveys the targets and issues instructions and allocates jobs to the [subordinates](#). All of these aspects involve communication. Thus, communication is essential for the quick and effective performance of the managers and the entire organization.

5. Increases Cooperation and Organizational Peace

The two-way communication process promotes co-operation and mutual understanding amongst the workers and also between them and the management. This leads to less friction and thus leads to industrial peace in the factory and efficient operations.

6. Boosts Morale of the Employees

Good communication helps the workers to adjust to the physical and social aspect of work. It also improves good human relations in the industry. An efficient system of communication enables the management to motivate, influence and satisfy the subordinates which in turn boosts their morale and keeps them motivated.

Types of Communication

1. Formal Communication

Formal communications are the one which flows through the official channels designed in the organizational chart. It may take place between a superior and a subordinate, a subordinate and a superior or among the same cadre employees or managers. These communications can be oral or in writing and are generally recorded and filed in the office.

Formal communication may be further classified as Vertical communication and Horizontal communication.

Vertical Communication

Vertical Communications as the name suggests flows vertically upwards or downwards through formal channels. Upward communication refers to the flow of communication from a subordinate to a superior whereas downward communication flows from a superior to a subordinate.

Application for grant of leave, submission of a progress report, request for loans etc. are some of the examples of upward communication. Sending notice to employees to attend a meeting, delegating work to the subordinates, informing them about the company policies, etc. are some examples of downward communication.

Horizontal Communication

Horizontal or lateral communication takes place between one division and another. For example, a production manager may contact the finance manager to discuss the delivery of raw material or its purchase.

Types of communication networks in formal communication:

- **Single chain:** In this type of network communications flows from every superior to his subordinate through a single chain.
- **Wheel:** In this network, all subordinates under one superior communicate through him only. They are not allowed to talk among themselves.
- **Circular:** In this type of network, the communication moves in a circle. Each person is able to communicate with his adjoining two persons only.
- **Free flow:** In this network, each person can communicate with any other person freely. There is no restriction.
- **Inverted V:** In this type of network, a subordinate is allowed to communicate with his immediate superior as well as his superior's superior also. However, in the latter case, only ordained communication takes place.

2. Informal Communication

Any communication that takes place without following the formal channels of communication is said to be informal communication. The Informal communication is often referred to as the 'grapevine' as it spreads throughout the organization and in all directions without any regard to the levels of authority.

The informal communication spreads rapidly, often gets distorted and it is very difficult to detect the source of such communication. It also leads to rumors which are not true. People's behavior is often affected by the rumors and informal discussions which sometimes may hamper the work environment.

However, sometimes these channels may be helpful as they carry information rapidly and, therefore, may be useful to the manager at times. Informal channels are also used by the managers to transmit information in order to know the reactions of his/her subordinates.

Types of Grapevine network:

- **Single strand:** In this network, each person communicates with the other in a sequence.
- **Gossip network:** In this type of network, each person communicates with all other persons on a non-selective basis.
- **Probability network:** In this network, the individual communicates randomly with other individuals.
- **Cluster Network:** In this network, the individual communicates with only those people whom he trusts. Out of these four types of networks, the Cluster network is the most popular in organizations.

Barriers to Communication

The communication barriers may prevent communication or carry incorrect meaning due to which misunderstandings may be created. Therefore, it is essential for a manager to identify such barriers and take appropriate measures to overcome them. The barriers to communication in organizations can be broadly grouped as follows:

1. Semantic Barriers

These are concerned with the problems and obstructions in the process of encoding and decoding of a message into words or impressions. Normally, such barriers result due to use of wrong words, faulty translations, different interpretations, etc.

For example, a manager has to communicate with workers who have no knowledge of the English language and on the other side, he is not well conversant with the Hindi language. Here, language is a barrier to communication as the manager may not be able to communicate properly with the workers.

2. Psychological Barriers

Emotional or psychological factors also act as barriers to communication. The state of mind of both sender and receiver of communication reflects in effective communication. A worried person cannot communicate properly and an angry recipient cannot understand the message properly.

Thus, at the time of communication, both the sender and the receiver need to be psychologically sound. Also, they should trust each other. If they do not believe each other, they cannot understand each other's message in its original sense.

3. Organizational Barriers

The factors related to organizational structure, rules and regulations authority relationships, etc. may sometimes act as barriers to effective communication. In an organization with a highly centralized pattern, people may not be encouraged to have free communication. Also, rigid rules and regulations and cumbersome procedures may also become a hurdle to communication.

4. Personal Barriers

The personal factors of both sender and receiver may act as a barrier to effective communication. If a superior thinks that a particular communication may adversely affect his authority, he may suppress such communication.

Also, if the superiors do not have confidence in the competency of their subordinates, they may not ask for their advice. The subordinates may not be willing to offer useful suggestions in the absence of any reward or appreciation for a good suggestion.

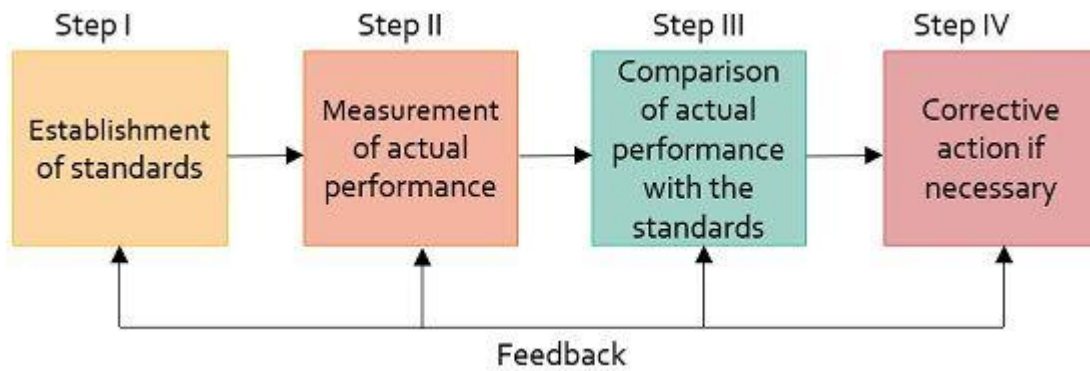
Controlling

Definition: Control is a primary goal-oriented function of management in an organisation. It is a process of comparing the actual performance with the set standards of the company to ensure that activities are performed according to the plans and if not then taking corrective action.

Features of Controlling

- An effective control system has the following features:
- It helps in achieving organizational goals.
- Facilitates optimum utilization of resources.
- It evaluates the accuracy of the standard.
- It also sets discipline and order.
- Motivates the employees and boosts employee morale.
- Ensures future planning by revising standards.
- Improves overall performance of an organization.
- It also minimises errors.

Process of Controlling



- **Establishing standards:** This means setting up of the target which needs to be achieved to meet organisational goals eventually. Standards indicate the criteria of performance.
Control standards are categorized as quantitative and qualitative standards. **Quantitative standards** are expressed in terms of money. **Qualitative standards**, on the other hand, includes intangible items.
- **Measurement of actual performance:** The actual performance of the employee is measured against the target. With the increasing levels of management, the measurement of performance becomes difficult.
- **Comparison of actual performance with the standard:** This compares the degree of difference between the actual performance and the standard.
- **Taking corrective actions:** It is initiated by the manager who corrects any defects in actual performance.

Controlling process thus regulates companies' activities so that actual performance conforms to the standard plan. An effective control system enables managers to avoid circumstances which cause the company's loss.

Types of control

1. **Feedback Control:** This process involves collecting information about a finished task, assessing that information and improvising the same type of tasks in the future.
2. **Concurrent control:** It is also called real-time control. It checks any problem and examines it to take action before any loss is incurred. Example: control chart.
3. **Predictive/ feedforward control:** This type of control helps to foresee problem ahead of occurrence. Therefore action can be taken before such a circumstance arises.

Advantages of controlling

- Saves time and energy

- Allows managers to concentrate on important tasks. This allows better utilization of the managerial resource.
- Helps in timely corrective action to be taken by the manager.
- Managers can delegate tasks so routinely chores can be completed by subordinates.

Staffing:

Staffing is the process of hiring eligible candidates in the organization or company for specific positions. In management, the meaning of staffing is an operation of recruiting the employees by evaluating their skills, knowledge and then offering them specific job roles accordingly.

Functions of Staffing

1. The first and foremost function of staffing is to obtain qualified personnel for different jobs position in the organization.
2. In staffing, the right person is recruited for the right jobs, therefore it leads to maximum productivity and higher performance.
3. It helps in promoting the optimum utilization of human resource through various aspects.
4. Job satisfaction and morale of the workers increases through the recruitment of the right person.
5. Staffing helps to ensure better utilization of human resources.
6. It ensures the continuity and growth of the organization, through development managers.

Browse more Topics under Staffing

- Staffing in HRM & Its Revolution
- Staffing Process

Importance of Staffing

Efficient Performance of Other Functions

For the efficient performance of other functions of management, staffing is its key. Since, if an organization does not have the competent personnel, then it cannot perform the functions of management like planning, organizing and control functions properly.

Effective Use of Technology and Other Resources

What is staffing and technology's connection? Well, it is the human factor that is instrumental in the effective utilization of the latest technology, capital, material, etc. the management can ensure the right kinds of personnel by performing the staffing function.

Optimum Utilization of Human Resources

The wage bill of big concerns is quite high. Also, a huge amount is spent on recruitment, selection, training, and development of employees. To get the optimum output, the staffing function should be performed in an efficient manner.

Development of Human Capital

Another function of staffing is concerned with human capital requirements. Since the management is required to determine in advance the manpower requirements. Therefore, it has also to train and develop the existing personnel for career advancement. This will meet the requirements of the company in the future.

The Motivation of Human Resources

In an organization, the behaviour of individuals is influenced by various factors which are involved such as education level, needs, socio-cultural factors, etc. Therefore, the human aspects of the organization have become very important and so that the workers can also be motivated by financial and non-financial incentives in order to perform their functions properly in achieving the objectives.

Building Higher Morale

The right type of climate should be created for the workers to contribute to the achievement of the organizational objectives. Therefore, by performing the staffing function effectively and efficiently, the management is able to describe the significance and importance which it attaches to the personnel working in the enterprise.

Characteristics of Staffing

People-Centered

Staffing can broadly view as people-centered function and therefore it is relevant for all types of organization. It is concerned with categories of personnel from top to bottom of the organization.

- Blue collar workers (i.e., those working on the machines and engaged in loading, unloading etc.) and white collar workers (i.e., clerical employees).

- Managerial and Non Managerial personal.
- Professionals (eg.- Chartered Accountant, Company Secretary)

Responsibility of Manager

Staffing is the basic function of management which involves that the manager is continuously engaged in performing the staffing function. They are actively associated with the recruitment, selection, training, and appraisal of his subordinates. Therefore the activities are performed by the chief executive, departmental managers and foremen in relation to their subordinates.

Human Skills

Staffing function is mainly concerned with different types of training and development of human resource and therefore the managers should use human relation skill in providing guidance and training to the subordinates. If the staffing function is performed properly, then the human relations in the organization will be cordial and mutually performed in an organized manner.

Continuous Function

Staffing function is to be performed continuously which is equally important for a new and well-established organization. Since in a newly established organization, there has to be recruitment, selection, and training of personnel. As we compare that, the organization which is already a running organization, then at that place every manager is engaged in various staffing activities.

Therefore, he is responsible for managing all the workers in order to get work done for the accomplishment of the overall objectives of an organization.

Steps involved in Staffing Process

1. Manpower Planning

Manpower planning can be regarded as the quantitative and qualitative measurement of labour force required in an enterprise. Therefore, in an overall sense, the planning process involves the synergy in creating and evaluating the manpower inventory and as well as in developing the required talents among the employees selected for promotion advancement

2. Recruitment

Recruitment is a process of searching for prospective employees and stimulating them to apply for jobs in the organization. It stands for finding the source from where potential employees will be selected.

3. Selection

Selection is a process of eliminating those who appear unpromising. The purpose of this selection process is to determine whether a candidate is suitable for employment in the organization or not. Therefore, the main aim of the process of selection is selecting the right candidates to fill various positions in the organization. A well-planned selection procedure is of utmost importance.

4. Placement

Placement means putting the person on the job for which he is selected. It includes introducing the employee to his job.

5. Training

After selection of an employee, the important part of the programmed is to provide training to the new employee. With the various technological changes, the need for training employees is being increased to keep the employees in touch with the various new developments.

6. Development

A sound staffing policy provides for the introduction of a system of planned promotion in every organization. If employees are not at all having suitable opportunities for their development and promotion, they get frustrated which affect their work.

7. Promotions

The process of promotion implies the up-gradation of an employee to a higher post involving increasing rank, prestige and responsibilities. Generally, the promotion is linked to increment in wages and incentives but it is not essential that it always relates to that part of an organization.

8. Transfer

Transfer means the movement of an employee from one job to another without increment in pay, status or responsibilities. Therefore this process of staffing needs to be evaluated on a timely basis.

9. Appraisal

Appraisal of employees as to how efficiently the subordinate is performing a job and also to know his aptitudes and other qualities necessary for performing the job assigned to him.

10. Determination of Remuneration

This is the last process which is very crucial as it involves in determining remuneration which is one of the most difficult functions of the personnel department because there are no definite or exact means to determine correct wages.