

Chapter - 7

Directing

Meaning

Directing refers to the process of instructing, guiding, counselling, motivating and leading people in the organisation to achieve its objectives.

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Characteristics

- (i) Directing initiates action
- (ii) Directing takes place at every level of management
- (iii) Directing is a continuous process
- (iv) Directing flows from top to bottom.

Elements of Direction

I Motivation

Process of making subordinates to act in a desired manner to achieve certain organisational goals. Inner psychological force.

→ Motive :- An inner state that energises, activates or moves and directs behaviour towards goals.

→ Motivators :- Motivator is the technique used to motivate people in an organisation.

Features of Motivation

- (i) Motivation is an internal feeling
- (ii) Motivation produces goal directed behaviours
- (iii) Motivation can be either positive or negative
- (iv) Motivation is a complex process as the individuals are heterogeneous.

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Importance of Motivation

- (i) Motivation helps to improve performance levels of employees as well as the organisation.
- (ii) Motivation helps to change negative and indifferent attitudes of employees to positive attitudes
- (iii) Helps to reduce employee turnover
- (iv) Helps to reduce absenteeism in the organisation
- (v) Motivation helps managers to introduce changes smoothly without much resistance from people.

Maslow's Need Hierarchy Theory of Motivation

→ Abraham Maslow, well known psychologist in a classic paper published in 1943, outlined the elements of motivation.

→ His theory was based on human needs.

- (i) Basic physiological needs
 - (ii) Safety / Security needs
 - (iii) Affiliation / Belonging needs / Social
 - (iv) Esteem Needs
 - (v) Self Actualisation needs.
- } always learn it in "Sequence"

Assumptions

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

Financial and non-financial Incentives

→ Incentive means all measures which are used to motivate people to improve performance.

→ Financial Incentive

Refer to incentives which are in direct monetary form or measurable in monetary term and serve to motivate people for better performance.

(i) Pay and allowance :- Salary is the basic monetary incentive.

(ii) Productivity linked wage incentives :- Linking payment of wages to increase in productivity at individual or group level.

(iii) Bonus :- Offered over and above the wages / salaries

(iv) Profit Sharing :- To provide a share to employees in the profit of the organisation.

(v) Co-partnership / Stock option :- Employees are offered company shares at a set price which is
→ Employee stock option plan.

lower than market price.

(vi) Retirement Benefits :- Provident Fund, pension and gratuity provide financial security to employees after their retirement.

(vii) Perquisites :- [Car allowance, housing, medical aid and education to the children] are offered over and above the salary.

→ Non Financial Incentives :-

They mainly focus on Psychological, social and emotional needs.

→ Sometimes monetary aspects may be involved in non-financial incentives as well.

(i) Status :- Ranking of positions in the organisation

(ii) Organisational Climate :- It indicates the characteristics which describe an organisation and distinguish one organisation from another.

(iii) Career Advancement Opportunity :- To improve employee's skills and be promoted to the higher level job.

(iv) Job enrichment :- If jobs are made interesting, the job itself becomes a source of motivation to individual.

(v) Employee recognition programmes :- Employees feel that what they do should be recognised by concerned people.

→ For Ex. refer NCEERT *

* Recognition → Acknowledgment with a show of appreciation.

(vi) Job Security :- They do not feel worried on these aspects and work with greater zeal.

Negative Aspect → Employees can become complacent

(vii) Employees Participation :- Involving employees in decision making of the issues relating to them

(viii) Employee Empowerment :- Empowerment → giving more autonomy and powers to subordinates.

→ Makes people feel that their jobs are important

Leadership is work towards achievement of organisational goals.

Process of influencing the behaviour of people by making them strive voluntarily towards achievement of organisation goals.

→ ability to influence others
→ bring change in behaviour.
→ induces interpersonal relations
→ achieve common goal
→ continuous

→ For Features refer NCEERT

→ Leader - An individual possessing attributes of Leadership. All managers are leaders but not all leaders are managers.

Importance of Leadership

(i) Leadership influences the behaviour of people

(ii) A leader maintains personal relations

↑ (iii) Leader plays a key role in introducing required changes in the organisation

(iv) A leader handles conflicts effectively

w) Leader provides a training to their subordinates.

Leadership Style.

Depending on the use of authority, three basic styles:-

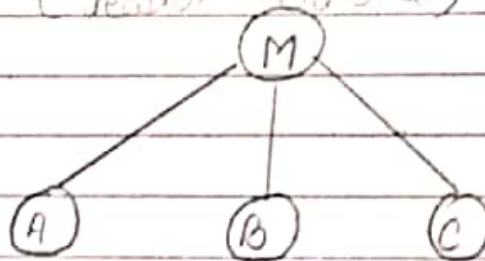
(i) Autocratic or Authoritarian Leader (Authoritative)

→ An autocratic leader gives orders and expects his subordinates to obey those orders.

→ Communication is only one way.

→ This leader is dogmatic i.e. does not change or wish to be contradicted. No delegation.

Diagram:- (Leader centered)



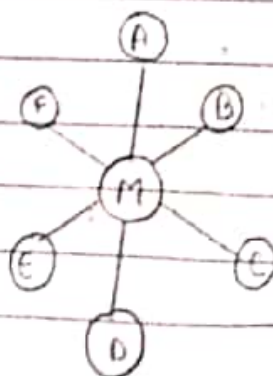
→ Directive style of leadership.

(ii) Democratic or Participative Leader (Group centered)

→ A Democratic leader will develop action plans and makes decision in consultation with his subordinates.

→ They exercise more control by using forces within the group.

Diagram:-



(Subordinate centered leadership)

(iii) Laissez faire or free - rein leader :-

minimum interference freedom of action

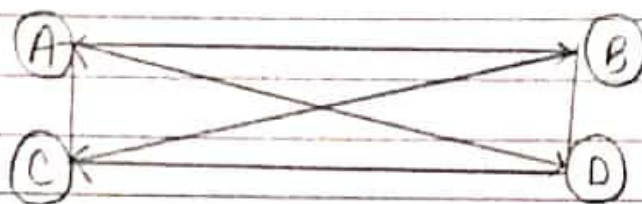
→ Such a leader does not believe in the use of power unless it is absolutely essential.

→ The followers are given a high degree of independence to formulate their own objectives and ways to achieve them.

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Diagram :-

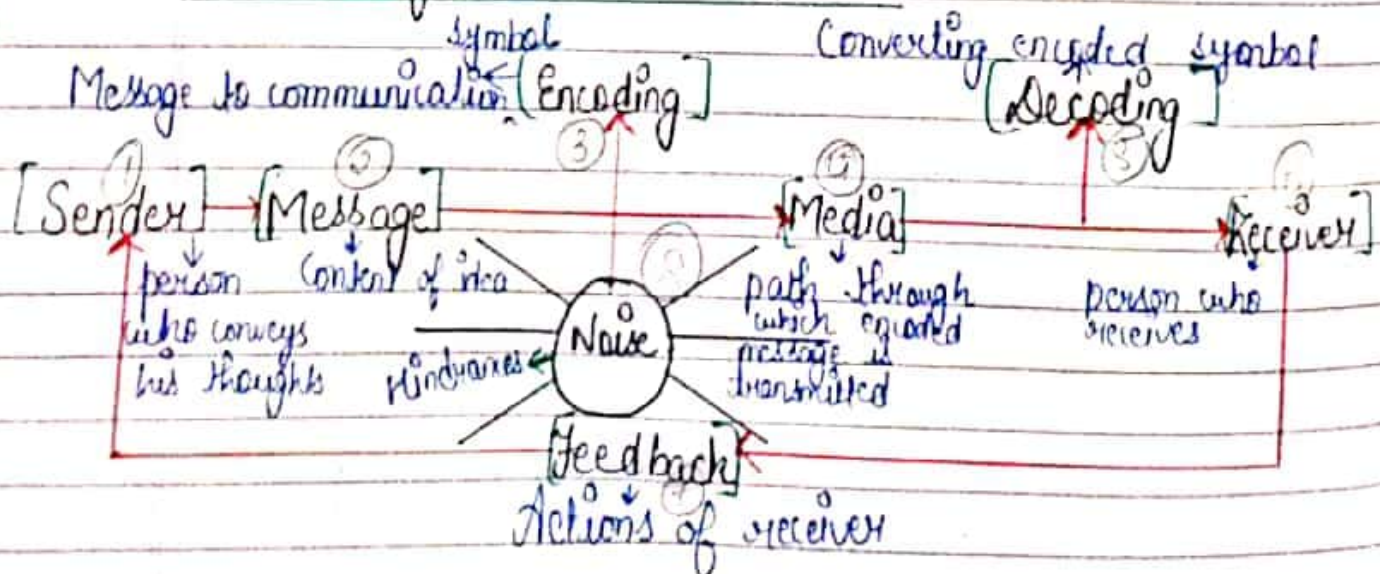
(M)



Communication

Process of exchange of ideas, views, facts, feelings etc., between or among people to create common understanding.

Elements of Communication Process



- features of communication:
- (i) Social Process
 - (ii) two way process
 - (iii) Continuous
 - (iv) Continuous
 - (v) ^{creating understanding}

Importance of Communication

- (i) Acts as basis of coordination
- (ii) Helps in smooth working of an enterprise
- (iii) Acts as basis of decision making
- (iv) Increases managerial efficiency
- (v) Promotes cooperation and industrial peace
- (vi) Establishes effective leadership
- (vii) Boosts morale and provides motivation.

Formal Communication → Flows through official channels designed in the organisational chart.

Vertical

→ Flows upwards or downwards

Horizontal

→ Takes place between one division and another

→ Communication Network :- The pattern through which communication flows within the organisation

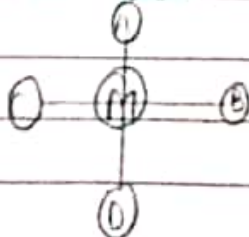
Chain

→ Exists between superior and subordinates



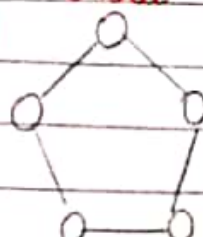
Wheel

→ All subordinates communicate to superior only as he acts as hub



Circular

→ Each person communicate with adjacent persons → Slow



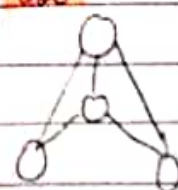
Free flow

→ Communicate freely → fast

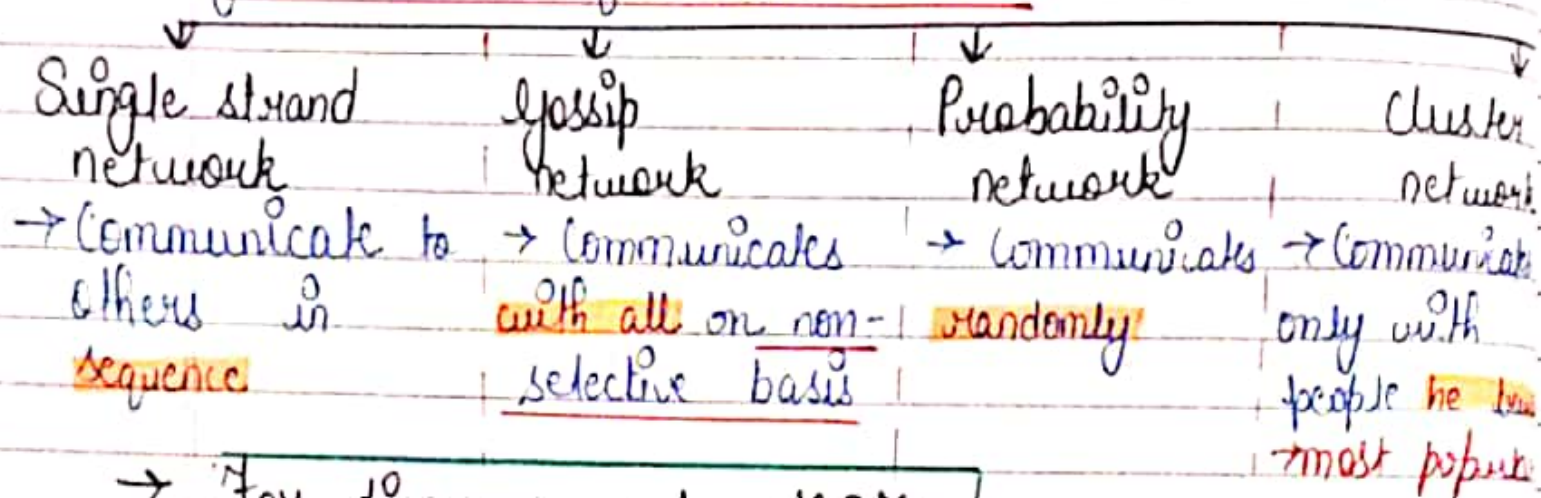


Inverted-V

→ Communicate to superior and his superior



Informal / Grapevine Communication
Communication that takes place without following
formal lines of communication



→ For diagrams refer NCERT

Barriers to Communication

→ Semantic barriers:- Semantics is the branch of linguistics dealing with the meaning of words & sentences.

→ Obstruction in process of encoding and decoding.

- (i) Badly expressed message
- (ii) Symbols with different meanings
- (iii) Faulty translations
- (iv) Unclassified assumptions
- (v) Technical jargon
- (vi) Body language and gesture decoding.

→ Psychological Barriers

- (i) Premature Evaluation
- (ii) Lack of attention
- (iii) Loss by transmission and poor retention
- (iv) Disturbance

→ Factors related to organisation structure, authority relationships, rules and regulations may act as barriers.

→ Organisational Barriers :-

- (i) Organisational Policy
- (ii) Rules and regulations
- (iii) Status
- (iv) Complexity in Organisation structure
- (v) Organisational facilities.

→ Personal barriers :-

- (i) Fear of challenge to authority
- (ii) Lack of confidence of superior on his subordinates
- (iii) Unwillingness to communicate
- (iv) Lack of proper incentives.

Improving Communication Effectiveness

- (i) Consult others before communicating
- (ii) Be aware of languages, tones and content of message
- (iii) Clarify the ideas before communicating
- (iv) Communicate according to the needs of receiver.
- (v) Convey things of help and value to listeners.
- (vi) Communicate for present as well as future.
- (vii) Ensure proper feedback.
- (viii) Follow up communications
- (ix) Be a good listener.

Importance of Directing **beingcommerce**

- (i) Directing helps to initiate action
- (ii) Directing integrates employees efforts in the organisation