

DIRECTING

BUSINESS MANAGEMENT

UNIT – 4 : DIRECTING Syllabus

Meaning – Definition – Characteristics –
Directing Process – Span of Supervision –
Motivation – Leadership - Communication.

KEY WORDS:

Span of Supervision, Direction, Leadership,
Motivation

Functions of Management



Management



- **Getting things done through others.”**
- **“All of the activities and tasks undertaken by one or more persons for the purpose of planning and controlling the activities of others in order to achieve an objective or complete an activity that could not be achieved by the others acting independently.”**

DIRECTING

Meaning:

Directing means giving instructions, guiding, counseling, motivating and leading the staff in an organization in doing work to achieve Organizational goals.

1. Directing is a key managerial function to be performed by the manager along with planning, organizing, staffing and controlling.
2. From top executive to supervisor performs the function of directing and it takes place accordingly wherever superior – subordinate relations exist.
3. Directing is a continuous process initiated at top level and flows to the bottom through organizational hierarchy.

DIRECTING - Characteristics

1. **Pervasive Function-** Directing is required at all levels of organization. Every manager provides guidance and inspiration to his subordinates.
2. **Continuous Activity-** Direction is a continuous activity as it continuous throughout the life of organization.
3. **Human Factor-** Directing function is related to subordinates and therefore it is related to human factor. Since human factor is complex and behaviour is unpredictable, direction function becomes important.
4. **Creative Activity-** Direction function helps in converting plans into performance. Without this function, people become inactive and physical resources are meaningless.
5. **Executive Function-** Direction function is carried out by all managers and executives at all levels throughout the working of an enterprise, a subordinate receives instructions from his superior only.
6. **Delegate Function-** Direction is supposed to be a function dealing with human beings. Human behaviour is unpredictable by nature and conditioning the people's behaviour towards the goals of the enterprise is what the executive does in this function.

DIRECTING - Importance

1. **Initiates Action:** It helps to initiate action by the people in the organization towards attainment of desired objectives.
2. **Integrates Employee's Efforts:** All the activities of the organization are interrelated so it is necessary to coordinate all the activities. It integrates the activities of subordinates by supervision, guidance and counselling.
3. **Means of motivation:** It motivates the subordinates to work efficiently and to contribute their maximum efforts towards the achievement of organizational goals.
4. **Facilitates change:** Employees often resist changes due to fear of adverse effects on their employment and promotion.
5. **Directing facilitates** adjustment in the organization to cope with changes in the environment.
6. **Stability and balance in the organization:** Managers while performing directing function instruct, guide, supervise and inspire their subordinates in a manner that they are able to strike a balance between individual and organizational interests.

Principles of Effective Direction:

The following are the basic principles of effective direction:

- 1. Harmony of Objectives**
- 2. Unity of Command**
- 3. Unity of Direction**
- 4. Direct Supervision**
- 5. Participative or Democratic Management**
- 6. Effective Communication**
- 7. Follow-up**

ELEMENTS OF DIRECTION.

Supervision, communication, motivation and leadership are the important elements of direction.

a) Supervision:

Supervision implies expert overseeing of subordinates -at work in order to guide and regulate their efforts. Every manager has to supervise the work of his subordinates to see that they do their work as desired. Supervision is one important element of the process of directing.

b) Communication:

Communication involves exchange of ideas and information in order to create mutual understanding. It is a systematic process of telling, listening and understanding.

(c) Motivation:

Motivation implies inspiring the subordinates to work with zeal and confidence. No administrative action can succeed unless the subordinates are motivated to contribute their best efforts to the common task

d) Leadership:

Leadership is the process of guiding and influencing subordinates for the accomplishment of desired goals. It involves the integration of Organizational interests with personal goals.

SUPERVISION, AS AN ELEMENT OF DIRECTING:

- Process of guiding the efforts of employees and other resources to accomplish desired objectives.
- Overseeing people at work
- Involves instructing, observing, monitoring and guiding employees.
- Carried out at all levels but more important at the lower levels therefore the term 'Supervisor' is used at the operative level of management

Importance of Supervision/Role of a Supervisor/Functions

1. Link between workers and management because the supervisor explains management policies to workers and brings workers problems to the notice of the management.
2. Ensures issuing Instructions: To make sure that the instructions are communicated to each and every employee.
3. Facilities Control: Control means match between actual and planned output. It ensures checking on the methods in use and progress of work according to planned schedule.
4. Maintenance of discipline: The strict supervision and guidance of supervisor encourages the employees and workers to be more disciplined in the activities.
5. Feedback: The supervisors are directly dealing with the subordinates.
6. Improved Motivation: A supervisor with good leadership qualities can build up high morale among workers.
7. Optimum utilization of resources: All the activities are under the observation of supervisor so less wastage and optimum utilization of resources is possible.

MOTIVATION

- **Motivation** - can be defined as stimulating, inspiring and inducing the employees to perform to their best capacity. Motivation is a psychological term which means it can not be forced on employees.
- Motivation is something that moves a person to action, and continues him in the course of action already initiated.”
- According to McFarland, “Motivation refers to the way in which urges, drives, desires, aspirations, striving, or needs direct, control, or explains the behavior of human beings.”

Interrelated Teams of Motivation

- Motive
- Motivation
- Motivator

Characteristics of Motivation

1. Motivation is a psychological phenomenon.
2. Motivation produces goal directed behaviour.
3. Motivators can be positive as well as negative.
4. Motivation is a complex process.
5. Motivation is a dynamic and continuous process.

IMPORTANCE OF MOTIVATION

1. Motivation helps change negative attitude to positive attitude.
2. Motivation improve performance level of employees.
3. Helps in achieving the organisational goal.
4. Motivation creates supportive work environment.
5. Motivation help the managers to introduce changes.
6. Reduction in employees turnover.

Financial Incentives

- The reward or incentive which can be calculated in terms of money is known as monetary incentive.

The common monetary incentives are

- (a) Pay and allowances
- (b) Profit sharing
- (c) Co-Partnership/stock option
- (d) Bonus
- (e) Commission
- (f) Suggestion system
- (g) Productivity linked with wage incentives
- (b) Retirement benefits

Non-Financial Incentives

- The incentives which can not be calculated in terms of money are known as non-financial incentives.
- The common non-financial incentives are
 - (a) Status
 - (b) Organisational climate
 - (c) Career advancement
 - (d) Job enrichment
 - (e) Employees recognition
 - (f) Job security
 - (g) Employee's participation
 - (h) Autonomy/Employee empowerment

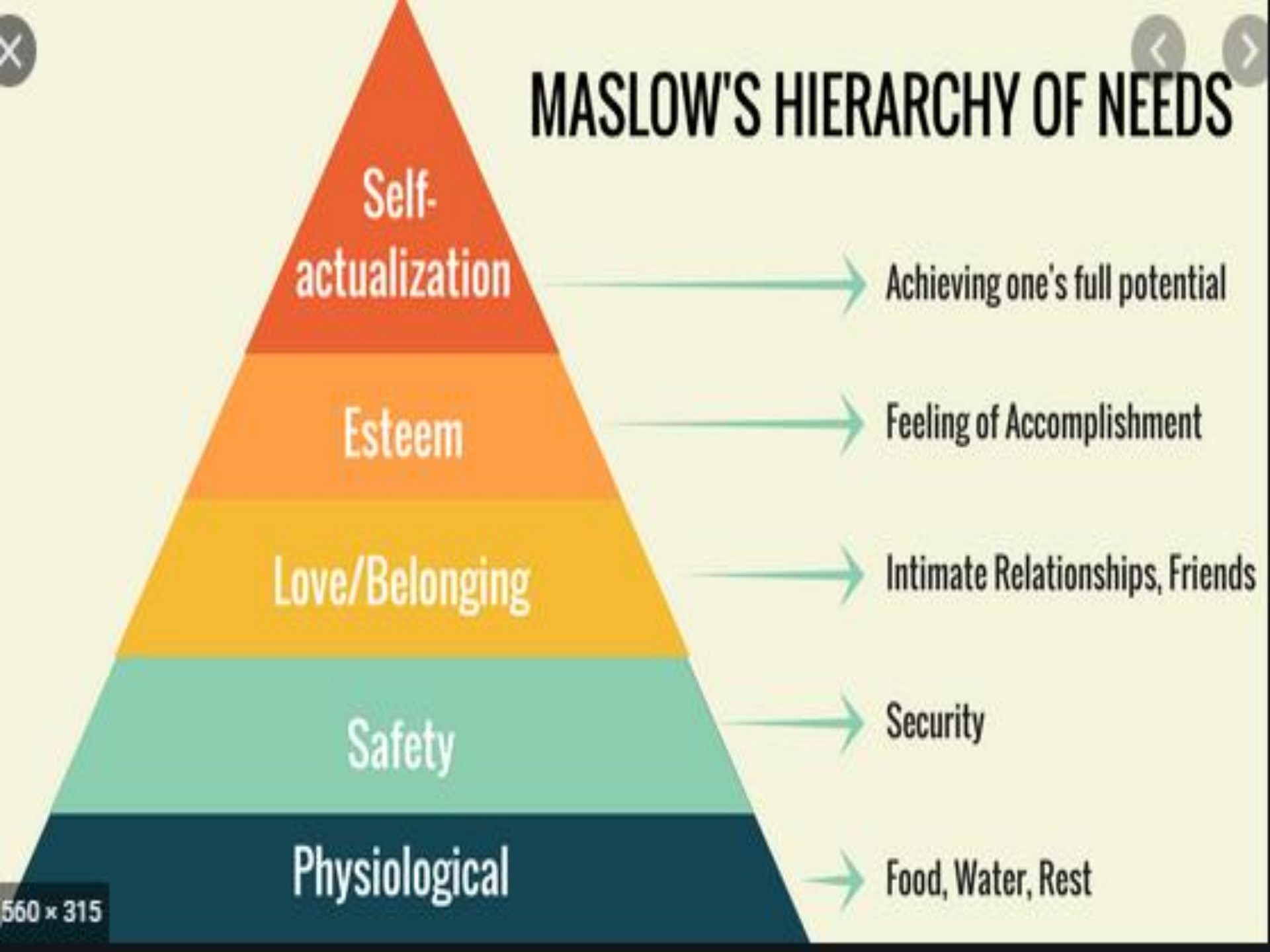
MOTIVATION THEORIES

1. Maslow – Hierarchy of needs.
2. Herzberg – Two factor theory – Hygiene & Motivation factors.
3. McGregor's Participation Theory: Theory X and Theory Y
4. Urwick's Theory Z: ...
5. Alderfer – ERG theory: Existence needs, relatedness needs and growth needs.
6. McClelland – Need for achievement, affiliation and power.
7. Skinner's Reinforcement theory.
8. Vroom's Expectancy theory.
9. Adams' Equity theory.
10. Locke's Goal-setting theory.

Theory or Maslow's Need Hierarchy theory

1. Need or the desire is a very important elements in motivation because the employees get motivated only for their needs.
2. Maslow has given a sequence or hierarchy of needs in the follows way
 - (i) Physiological needs
 - (ii) Safety and security needs
 - (iii) Social or belonging needs
 - (iv) Esteem needs
 - (v) Self-actualisation needs

MASLOW'S HIERARCHY OF NEEDS



Self-actualization

Achieving one's full potential

Esteem

Feeling of Accomplishment

Love/Belonging

Intimate Relationships, Friends

Safety

Security

Physiological

Food, Water, Rest

McGregor's theory X and theory Y

- Douglas McGregor formulated two distinct views of human being based on participation of workers. The first is basically negative, labelled as Theory X, and the other is basically positive, labelled as Theory Y. Both kinds of people exist. Based on their nature they need to be managed accordingly.
- **Theory X:** The traditional view of the work force holds that workers are inherently lazy, self-centred, and lacking ambition. Therefore, an appropriate management style is strong, top-down control.
- **Theory Y:** This view postulates that workers are inherently motivated and eager to accept responsibility. An appropriate management style is to focus on creating a productive work environment coupled with positive rewards and reinforcement.

Theory X

Avoid
Work

Must be
Controlled

Avoid
Responsibility

Seek Security

Theory Y

Work is Natural

Self-
Direction

Seek
Responsibility

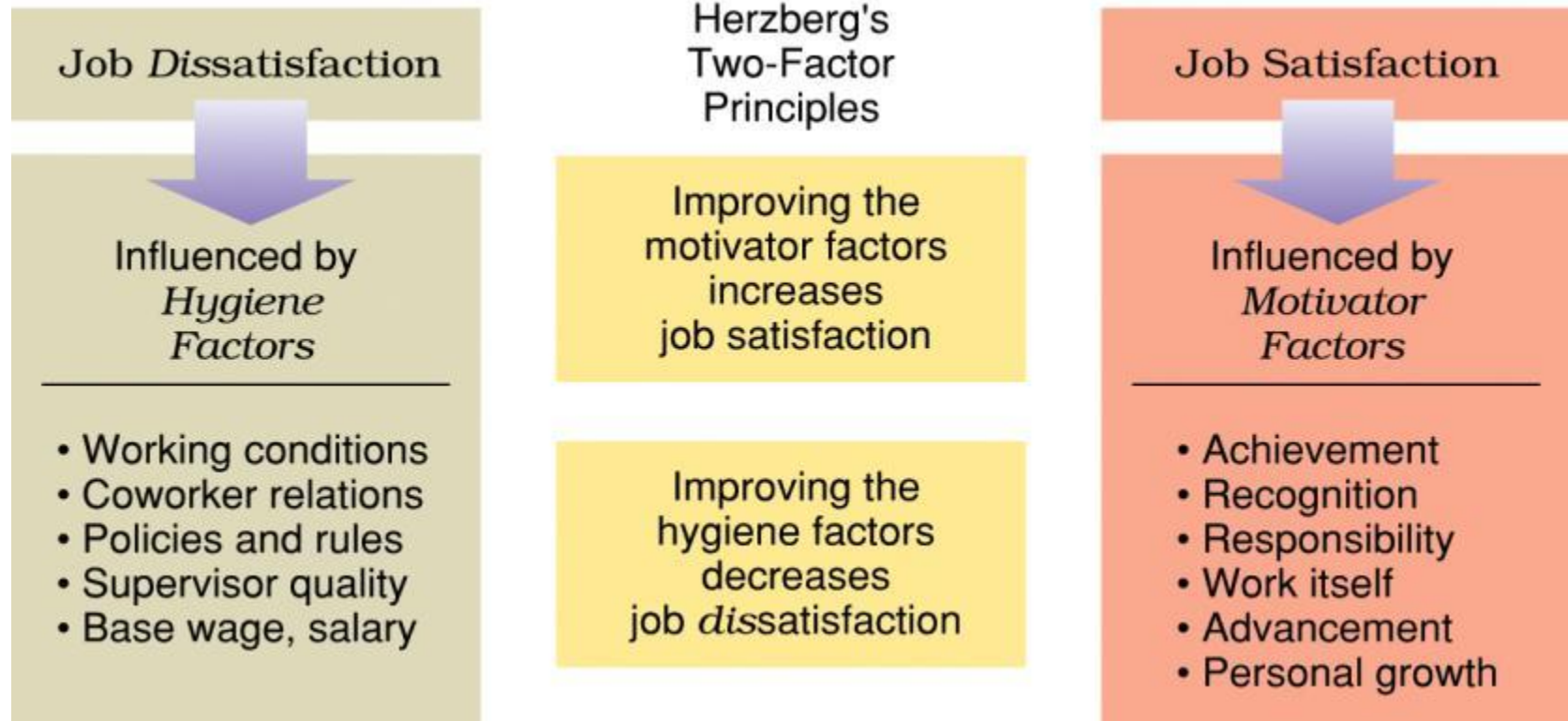
Good Decisions
Widely Dispersed

Elements in Herzberg's two-factor theory

Two-factor theory

- Developed by Frederick Herzberg
- Hygiene factors:
 - Elements of the job context
 - Sources of job dissatisfaction
- Satisfier factors:
 - Elements of the job content
 - Sources of job satisfaction and motivation

Elements in Herzberg's two-factor theory



Process of Motivation.

An organization follows the following process to motivate the employees:

- **Needs:** There can be unlimited needs of human beings which can never be completed. When one need is fulfilled, another need is created within human beings.
- **Drives:** When the needs are created in a person, drives are set up to make it easy to fulfill needs.
- **Incentives:** This process of motivation helps to restore physical and psychological balance by providing people incentives. It also helps to fulfill need and reduce drive.

LEADERSHIP

Leadership is the art or process of influencing people so that they will strive willingly towards the achievement of group goals. It can also be explained as the human quality to persuade and convince the people to obtain the defined goal.

Thus, leadership is the ability of managers to secure the desired actions from the followers without the use of force.

According to Keith Davis, “Leadership is the ability to persuade others to seek defined objectives enthusiastically. It is the human factor which binds a group together and motivates it towards goals.”

Characteristics of Leadership

1. It is an inter-personal process in which a manager is into influencing and guiding workers towards attainment of goals.
2. It denotes a few qualities to be present in a person which includes intelligence, maturity and personality.
3. It is a group process. It involves two or more people interacting with each other.
4. A leader is involved in shaping and moulding the behaviour of the group towards accomplishment of organizational goals.
5. Leadership is situation bound. There is no best style of leadership. It all depends upon tackling with the situations.

Importance of Leadership

- 1. Initiates action-** Leader is a person who starts the work by communicating the policies and plans to the subordinates from where the work actually starts.
- 2. Motivation-** A leader proves to be playing an incentive role in the concern's working.
- 3. Providing guidance-** A leader has to not only supervise but also play a guiding role for the subordinates.
- 4. Creating confidence-** Confidence is an important factor which can be achieved through expressing the work efforts to the subordinates.
- 5. Building morale-** A leader can be a morale booster by achieving full co-operation so that they perform with best of their abilities as they work to achieve goals.
- 6. Builds work environment-** An efficient work environment helps in sound and stable growth.
- 7. Co-ordination-** This synchronization can be achieved through proper and effective co-ordination which should be primary motive of a leader.

Qualities of a Leader.

- 1. Dynamic personality**
- 2. Intellectual capacity**
- 3. Initiative and taking lead.**
- 4. Farsighted**
- 5. Emotional stability**
- 6. Flexibility**
- 7. Sense of responsibility**
- 8. Good character**

Leadership Styles

- 1. Democratic Leadership**
- 2. Autocratic Leadership**
- 3. Laissez-Faire (Delegative) Leadership**
- 4. Bureaucratic Leadership**
- 5. Transactional Leadership**
- 6. Transformational Leadership**
- 7. Servant Leadership**
- 8. Charismatic Leadership**
- 9. Coaching Leadership**

Leadership Styles

- **Authoritarian or autocratic** - the leader tells his or her employees what to do and how to do it, without getting their advice
- **Participative or democratic** - the leader includes one or more employees in the decision making process, but the leader normally maintains the final decision making authority
- **Delegative or laissez-fair (free-rein)** - the leader allows the employees to make the decisions, however, the leader is still responsible for the decisions that are made

Leadership Styles

Transformational Leadership Style - This leadership style rides on the concept of transforming existing processes into something better. Individuals following this style are always on the lookout for innovations to bring into the business processes

Servant Leadership Style - The servant leadership model runs on the motto of serving others. Rather than leading a workforce, individuals think of ways on how to make things better for their workforce.

Coach-Style Leadership - This style offers strong similarities to strategic and democratic leadership, but puts more emphasis on the growth and success of individual employees.

Bureaucratic Leadership - This style of leadership might listen and consider the input of employees -- unlike autocratic leadership -- but the leader tends to reject an employee's input if it conflicts with company policy or past practices.

COMMUNICATION

- Communication is exchange of facts, opinion, idea or emotion between two or more persons.
- It is the transfer of meaning and understanding between people through verbal and non-verbal means in order to affect behavior and achieve the desired result. Such interchange, thought and information can bring mutual understanding and confidence. No organization can accomplish the goals without effective communication.
- The success of all functions of management like directing, controlling, motivating, staffing and planning depends upon the effective communication system in the organization. Thus, communication is the sum of all the functions that a person does when he wants to create understanding in the mind of others.

Communication –Definition

- **According to McFarland** communication is, “a process of meaningful interaction among human beings. More specifically, it is the process by which meanings are perceived and understandings are reached among human beings.”
- The word communication has been derived from the Latin word 'communicare' that means 'to share'.
- Communication may be defined as interchange of thought or information between two or more persons to bring about mutual understanding and desired action.

COMMUNICATION

Communication is the process of sending and receiving messages between parties

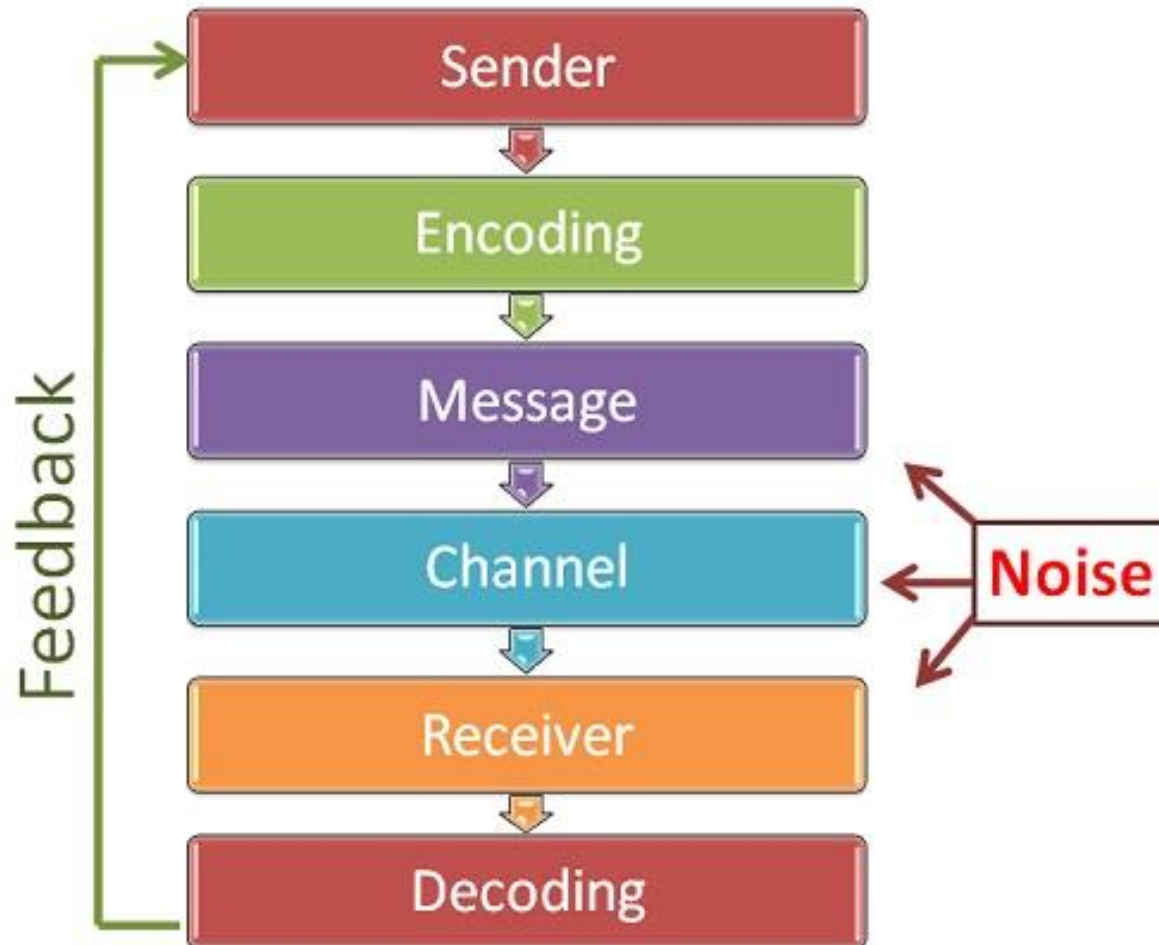


THE NATURE COMMUNICAT

- 1-Senders and Receivers
- 2-Transmitters and Receptor
- 3-Messages and Channels
- 4-Decoding, Meaning, and Encoding
- 5-Feedback

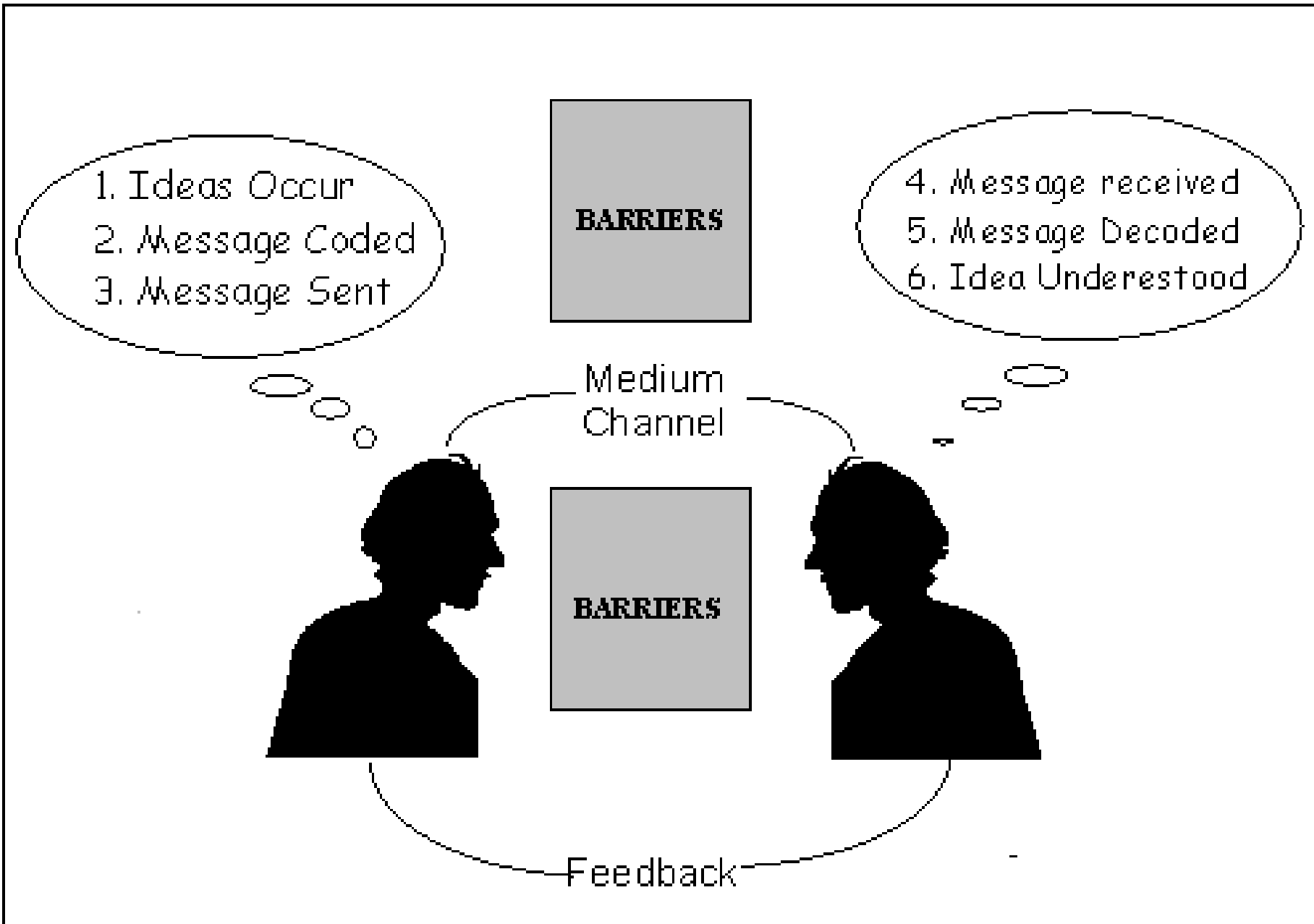


Communication Process



Decoding, Meaning, and Encoding

- + **Decoding** is the process of translating messages from their symbolic form into interpretations that can be understood.
- + **Meanings** are the facts, ideas, feelings, reactions, or thoughts that exist within individuals, and act as a set of "filters" through which the decoded messages are interpreted.
- + **Encoding** is the process by which messages are put into symbolic form



Principles of communication

1. Principle of clarity:
2. Principle of attention
3. Principle of integrity and sincerity
4. Principle of time
5. Principle of consistency
6. Principle of informality
7. Principle of use of informal organization
8. Principle of completeness
9. Principle of feedback:
10. Principle of objectives
11. Principle of correctness:

Benefits of effective Communication

1. Healthy relations
2. Better performance
3. High morale
4. Good image unity
5. Reaching final goals
6. Smooth functioning
7. Greater efficiency
8. Higher productivity
9. Effective decision-making
10. Co-operation & Co-ordination

Seven C's of Effective Communication

1. Completeness
2. Conciseness
3. Consideration
4. Concreteness
5. Clarity
6. Courtesy
7. Correctness

Types of Communication

- **Formal communication** - It refers to the communication taking place through official channels in an organisation. It may be oral or written.
- **Informal Communication** It takes place in an organisation without following the formal line of communication. The network of communication followed in the informal communication is referred to as grapevine network.
- **Horizontal communication:** – it is the process of lateral flow of information in order to coordinate work activities at the same level of management hierarchy.
- **Vertical communication:** – it is the process of upward and downward flow of information in order to coordinate work activities at the different level of management hierarchy.
- **Downward communication:** – it is the flow of information from top to bottom through formal lines of authority.
- **Upward communication:** – it is the flow of information from bottom to top in an organization. Middle and low level management transmits the information to superior about problems, suggestions
- **Diagonal communication:** – it is the flow information between the superior and subordinates who are neither in the same department nor at the same level.

Barriers to Effective Communication

(i) **Semantic barriers to communication** These are concerned with the meaning of words and symbols. These barriers are:

- Badly expressed message / Technical jargon / Unclarified assumptions Faulty translations

(ii) **Psychological barriers** Emotional or psychological factors acts as barriers to communication. Some of the psychological barriers are:

- Lack of attention / Premature evaluation / Poor retention / Distrust

(iii) **Organisational barriers** The factors related to organisational structure authority relationship, rules and regulations act as barriers to effective communication. Some of these barriers are:

- Organisational policy / Rules and regulations / Status /Complexity in organisational structure

(iv) **Personal barriers** The personal factors of both sender and receiver my affect effective communication. Some of these barriers are:

- Fear of challenge to authority
- lack of confidence of superior on his subordinate
- Unwillingness to communicate
- Lack of proper incentives

Measures to Overcome Barriers

1. . Be aware of languages, tone and content of message
2. Convey things of help and value to listeners
3. Ensure feedback
4. Communicate for present as well as future
5. Follow-up communication
6. Be a good listener
7. Clarify the ideas before communication
8. Communicate according to the needs of receiver
9. Consult others before communicating