

CHAPTER 7



DIRECTING



DIRECTING

TRAINING
SKILLS
TEAM
LEADERSHIP
PHILOSOPHY
MISSION
CONDUCT
BUSINESS
SOLUTION
LEADER
COLLABORATION
MEMBER
ABILITY
RESPECT
GOAL
TRUST
VISION
PEOPLE
COMPETENCE
POWER
SUCCESS

➤ Meaning

Men material machines and other resources cannot work by themselves unless directed. In management of an organization, directing refers to the process of instructing, guiding, counselling, motivating and leading people in the organization to achieve its objectives.

Directing is a managerial process which takes place throughout the life of an organization.



Characteristics of Directing



- ❖ ***Directing initiate's action:*** while other functions prepare a setting for action, directing initiates action in the organization.
- ❖ ***Directing takes place at every level of management:*** every manager, from top executive to supervisor performs the function of directing. The directing takes place wherever superior – subordinate relations exist.
- ❖ ***Directing is a continuous process:*** directing is a continuous activity. It takes place throughout the life of the organisation irrespective of people occupying managerial positions. The directing process continues because without direction the organisational activities cannot continue further.
- ❖ ***Directing flows from top to bottom:*** directing is first initiated at top level and flows to the bottom through organisational hierarchy. It means that every manager can direct his immediate subordinate and take instructions from his immediate boss.



“Importance of Directing”

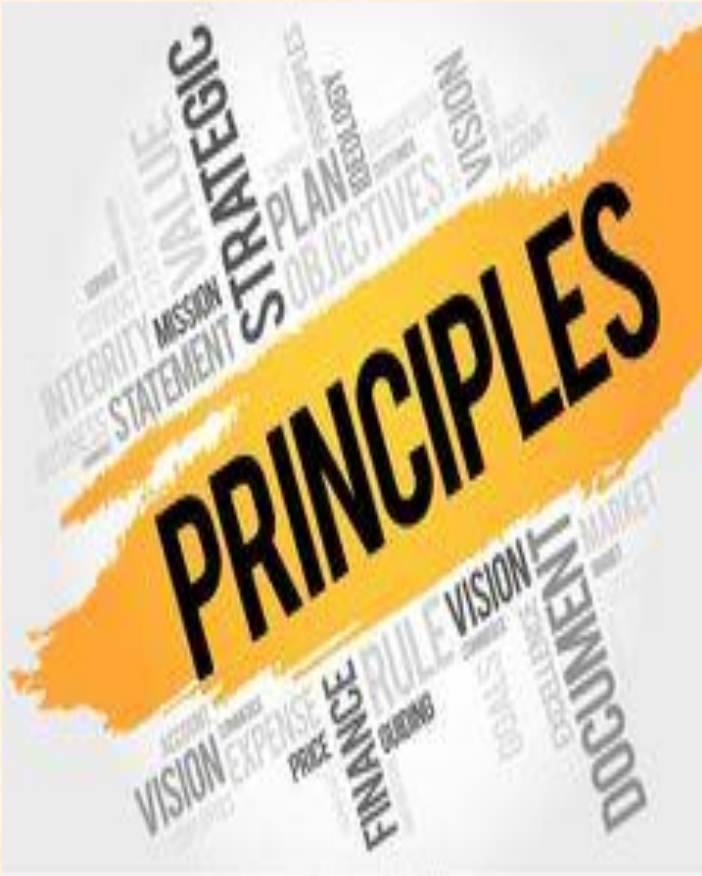
Through directing, managers not only tell the people in the organisation as to what they should do, when they should do and how they should do but also see that their instructions are implemented in proper perspective.



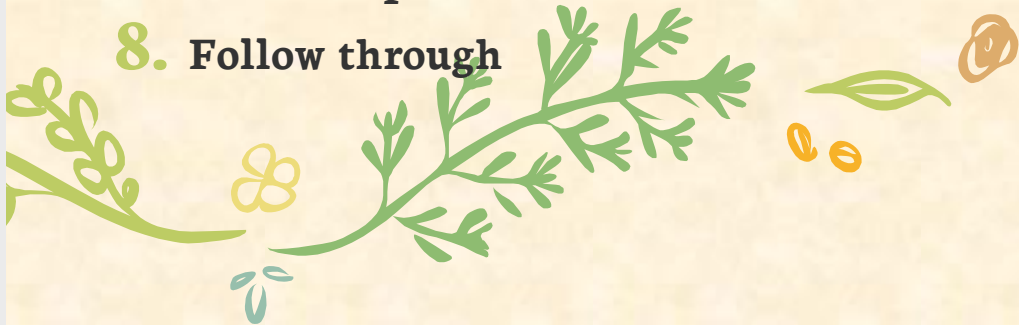
- ❖ **Directing initiate's action – Directing helps to initiate action by people in the organisation towards attainment of desired objectives.**
- ❖ **Integrates employees' efforts – Directing integrates employees efforts in the organisation in such a way that every individual effort contributes to the organizational performance.**
- ❖ **Means of motivation – Directing guides employees to fully realise their potential and capabilities by motivating and providing effective leadership.**
- ❖ **Facilitates changes in the organization – Directing facilitates introduction of needed changes in the organisation. Helps to reduce such resistance and develop required cooperation in introducing changes in the organisation.**
- ❖ **Provides stability and balance in the organization – Effective directing helps to bring stability and balance in the organisation since helps to achieve balance among various groups, activities and the departments.**



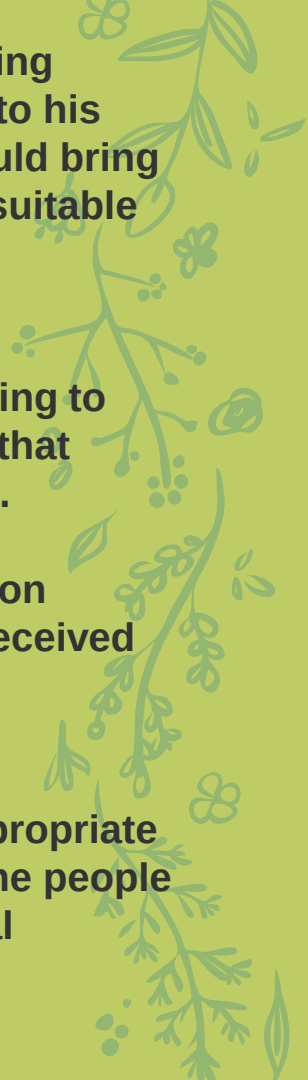
✦ *Principles of Directing*



1. Maximum individual contribution
2. Harmony of objectives
3. Unity of Command:
4. Appropriateness of direction technique
5. Managerial communication
6. Use of informal organization
7. Leadership
8. Follow through



- ❖ **Maximum individual contribution:** This principle emphasises that directing techniques must help every individual in the organization to contribute to his maximum potential for achievement of organisational objectives. It should bring out untapped energies of employees for the efficiency of organisation. Suitable monetary and non-monetary rewards can motivate an employee
- ❖ **Harmony of objectives:** Very often, we find that individual objectives of employees and the organizational objectives as understood are conflicting to each other. But, good directing should provide harmony by convincing that employee rewards and work efficiency are complimentary to each other.
- ❖ **Unity of Command:** This principle insists that a person in the organisation should receive instructions from one superior only. If instructions are received from more than one, it creates confusion, conflict and disorder in the organisation. Adherence to this principle ensures effective direction.
- ❖ **Appropriateness of direction technique:** According to this principle, appropriate motivational and leadership technique should be used while directing the people based on subordinate needs, capabilities, attitudes and other situational variables.



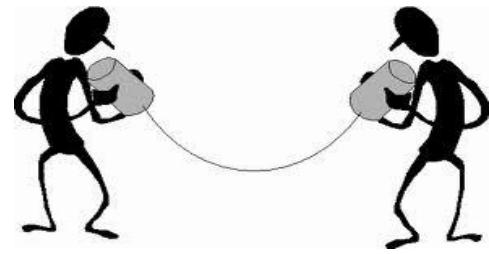
- ❖ **Managerial communication:** Directing should convey clear instructions to create total understanding to subordinates. Through proper feedback, the managers should ensure that subordinate understands his instructions clearly.
- ❖ **Use of informal organisation:** A manager should realise that informal groups or organisations exist within every formal organisation. He should spot and make use of such organisations for effective directing.
- ❖ **Leadership:** While directing the subordinates, managers should exercise good leadership as it can influence the subordinates positively without causing dissatisfaction among them.
- ❖ **Follow through:** Mere giving of an order is not sufficient. Managers should follow it up by reviewing continuously whether orders are being implemented accordingly or any problems are being encountered. If necessary, suitable modifications should be made in the directions.



Elements of Direction

the elements of directing are activities broadly grouped into four categories which are :

1. Supervision
2. Motivation
3. Leadership
4. Communication



Supervision

- ✚ The term “supervision” is derived from two Latin words – “Super” and “Vision”. Super means over and above and vision means to see. Thus supervision means “Overseeing the activity”.
- ✚ In management, supervision means overseeing what is being done by subordinates and giving instructions to ensure optimum utilisation of resources and achievement of work targets.
- ✚ Supervision can be understood as the function to be performed by supervisor, a managerial position in the organization hierarchy at the operative level i.e., immediately above the worker.
- ✚ The person who supervises the subordinates is called “Supervisor”. He is also known as Foreman, Overseer, Superintendent, Section officer etc.



Importance of Supervision



- ❑ **Supervisor maintains day-to-day contact and maintains friendly relations with workers** - A good supervisor acts as a guide, friend and philosopher to the workers.
- ❑ **Supervisor acts as a link between workers and management** - He conveys management ideas to the workers on one hand and workers problems to the management on the other. This role played by supervisor helps to avoid misunderstandings and conflicts between management and workers/employees.
- ❑ **Supervisor plays a key role in maintaining group unity among workers placed under his control** - He sorts out internal differences and maintains harmony among workers.



- ❖ **Supervisor ensures performance of work according to the targets set** - He takes responsibility for task achievement and motivates his workers effectively.
- ❖ **Supervisor provides good on-the-job training to the workers and employees** - A skilled and knowledgeable supervisor can build efficient team of workers.
- ❖ **Supervisory leadership plays a key role in influencing the workers in the organisation** - A supervisor with good leadership qualities can build up high morale among workers.
- ❖ **A good supervisor analyses the work performed and gives feedback to the workers** - He suggests ways and means of developing work skills.



Motivation

Motivation means a process of stimulating people to action to accomplish desired goals

- *William G. Scout*

Motivation is a process which begins with a physiological or psychological need or deficiency which triggers behavior or a drive that is aimed at a goal or incentive.

- *Fred Luthans*





- + A manager may come across highly committed and hardworking staff or lazy, evasive and superficial workers. He or she may wonder what to do with workers not willing to work to their potential. Psychologists say it is motivation, which stimulates people to take up work voluntarily.
- + **Motivation:** Motivation means the process of making subordinates to act in a desired manner to achieve certain organisational goals.



- ❖ **Motive:** A motive is an inner state that energises, activates or moves and directs behaviour towards goals. Motives arise out of the needs of individuals. Realisation of a motive causes restlessness in the Individual which prompts some action to reduce such restlessness.
- ❖ **Motivation:** Motivation is the process of stimulating people to action to accomplish desired goals. Motivation depends upon satisfying needs of people.
- ❖ **Motivators:** Motivator is the technique used to motivate people in an organisation. Managers use diverse motivators like pay, bonus, promotion, recognition, praise, responsibility etc., in the organisation to influence people to contribute their best.

Features of Motivation

- **Internal feeling** - The urge, drives, desires, aspirations, striving or needs of human being, which are internal, influence human behaviour.
- **Produces goal directed behaviour** - If the employee is interested in promotion, it helps to produce a behaviour to improve performance.
- **Motivation can be either positive or negative** - Positive motivation provides positive rewards like increase in pay, promotion, recognition etc., Negative motivation uses negative means like punishment, stopping increments, threatening etc. This also may induce a person to act in the desired way.
- **Motivation is a complex process** - as the individuals are heterogeneous in their expectations, perceptions and reactions. Any type of motivation may not have uniform effect on all the members.



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Motivation helps to improve performance levels of employees as well as the organisation. Since proper motivation satisfies the needs of employees, they in turn devote all their energies for optimum performance in their work.

Helps to create positive attitude – Motivation helps to change negative or indifferent attitudes of employee to positive attitudes so as to achieve organizational goals.

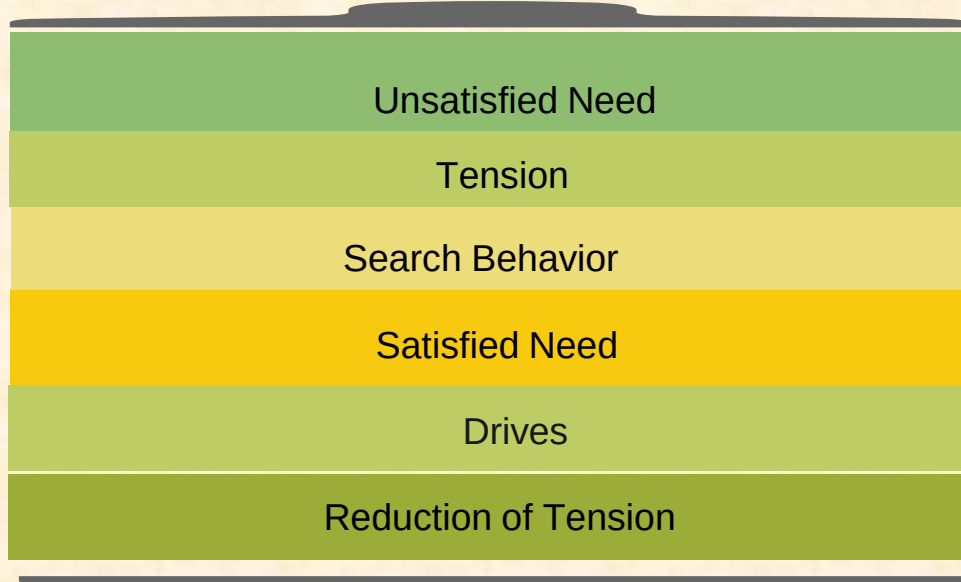
Motivation reduces employee turnover - Motivation helps to reduce employee turnover and thereby saves the cost of new recruitment and training.. If managers identify motivational needs of employees and provide suitable incentives, employees may not think of leaving the organisation.

Importance of Motivation

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4. **Motivation reduces absenteeism** –Motivation helps to reduce absenteeism in the organisation. Some important reasons for absenteeism are—bad working conditions, inadequate rewards, lack of recognition, poor relations with supervisors and colleagues etc. If motivation is adequately provided, work becomes a source of pleasure and workers attend to the work regularly.
 5. **Motivation helps to accept changes** - Motivation helps managers to introduce changes smoothly without much resistance from people. If manager can convince employees that proposed changes will bring additional rewards to employees, they may readily accept the change.



Motivation Process: Motivation process is based on human needs. A simple model to explain motivation process is presented below.



Profile of Abraham Maslow (1908 - 1970)

- ❖ Abraham H. Maslow was born in Brooklyn, New York, in 1908. He studied primate behavior and did doctorate in psychology in 1934 at the University of Wisconsin.
- ❖ His theory of the hierarchy of needs, which leads to the 'self actualized' individual, was a strong catalyst for the founding of humanistic psychology.
- ❖ Maslow successfully bridged motivation and personality in his theories of needs, self-actualizing persons, and peak experiences.
- ❖ Maslow is considered an important figure in contemporary psychology. He wrote two important books: *Toward a Psychology of Being* (1968) and *Motivation and Personality* (1970). Abraham Maslow died of a heart attack in 1970.



Maslow's Need Hierarchy Theory of Motivation:



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



Maslow's theory is based on the following assumptions:

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



INCENTIVES

Incentive means all measures which are used to motivate people to improve performance. These incentives may be broadly classified as financial and non financial.



Financial Incentives:

- ❏ Financial incentives refer to incentives which are in direct monetary form or measurable in monetary term and serve to motivate people for better performance.
- ❏ These incentives may be provided on individual or group basis.

Non-Financial Incentives

- ✦ All the needs of individuals are not satisfied by money alone. Psychological, social and emotional factors also play important role in providing motivation .
- ✦ Non-financial incentives mainly focus on these needs. Some times, monetary aspect may be involved in non-financial incentives as well.
- ✦ However, the emphasis is to provide psychological and emotional satisfaction rather than money driven satisfaction.



TYPES OF INCENTIVES

FINANCIAL INCENTIVES	NON-FINANCIAL INCENTIVES
Pay and allowances	Status
Productivity linked wage incentives	Organizational climate
Co-partnership / stock option plan	Career advancement
Bonus	Job enrichment
Profit sharing	Employee recognition
Perquisites	Job security
Retirement benefits	Employee participation
	Employee empowerment



FINANCIAL INCENTIVES

1. **Pay and allowances:** For every employee, salary is the basic monetary incentive. It includes basic pay, dearness allowance and other allowances. Salary system consists of regular increments in the pay every year and enhancement of allowances from time-to-time. In some business organizations, pay hike and increments may be linked to performance.
2. **Productivity linked wage incentives:** Several wage incentive plans aims at linking payment of wages to increase in productivity at individual or group level.
3. **Perquisites:** In many companies perquisites and fringe benefits are offered such as car allowance, housing, medical aid, and education to the children etc., over and above the salary. These measures help to provide motivation to the employees/ managers.



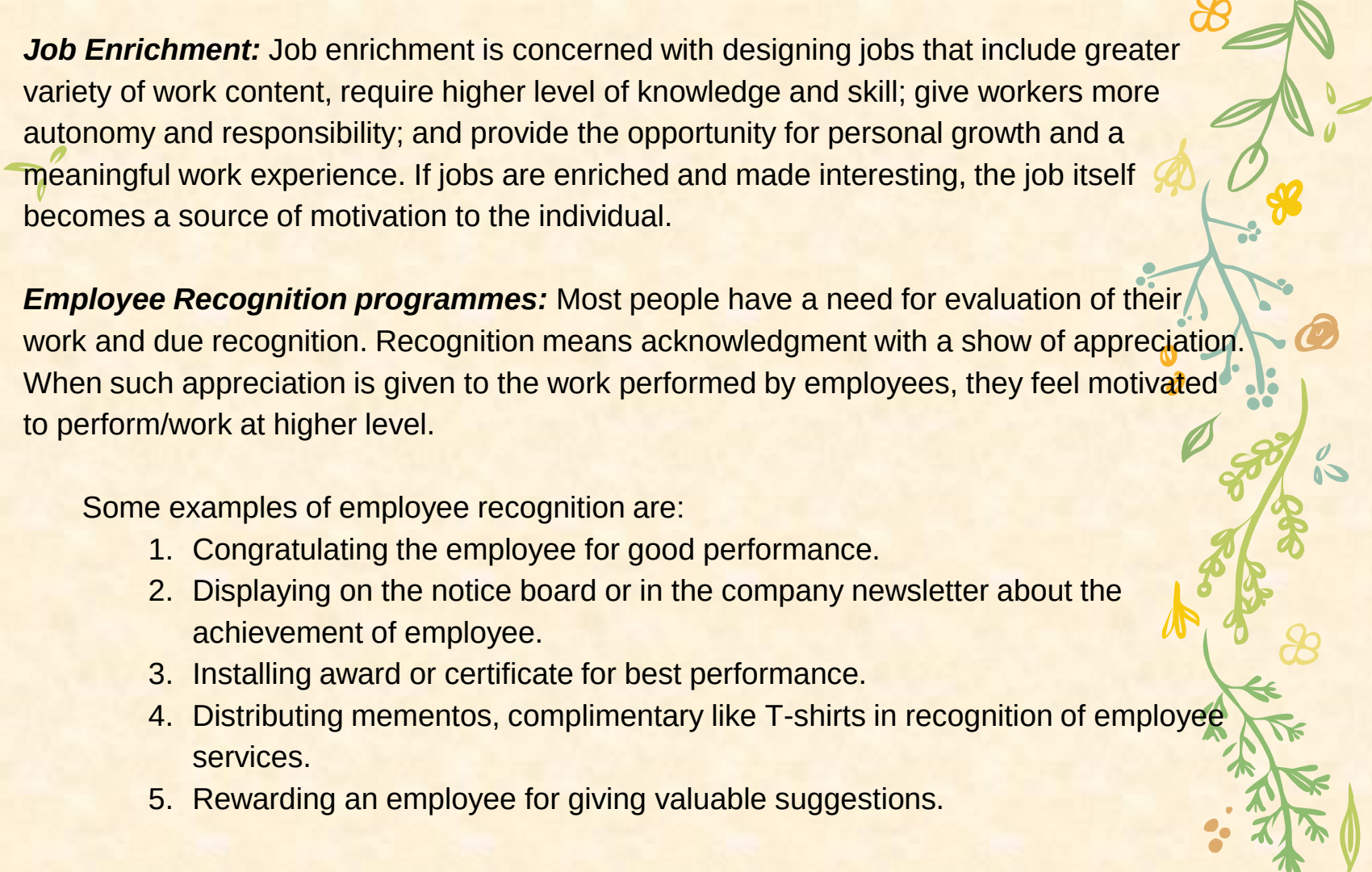
4. **Profit Sharing:** Profit sharing is meant to provide a share to employees in the profits of the organization. This serves to motivate the employees to improve their performance and contribute to increase in profits.
5. **Co-partnership/ Stock option:** Under these incentive schemes, employees are offered company shares at a set price which is lower than market price. Sometimes, management may allot shares in line of various incentives payable in cash. The allotment of shares creates a feeling of ownership
6. **Retirement Benefits:** Several retirement benefits such as provident fund, pension, and gratuity provide financial security to employees after their retirement. This acts as an incentive when they are in service in the organization.
7. **Bonus:** Bonus is an incentive offered over and above the wages/salary to the employees.



Non-Financial Incentives

1. **Status:** status means ranking of positions in the organization. The authority, responsibility, rewards, recognition, perquisites and prestige of job indicate the status given to a person holding a managerial position. Psychological, social and esteem needs of an individual are satisfied by status given to their job.
2. **Organizational Climate:** Organizational climate indicates the characteristics which describe an organization and distinguish one organization from the other. These characteristics influence the behavior of individuals in the organization. Some of these characteristics are-individual autonomy, reward orientation, consideration to employees, risk-tasking etc.
3. **Career Advancement Opportunity:** Managers should provide opportunity to employees to improve their skills and be promoted to the higher level jobs. Appropriate skill development programs, and sound promotion policy will help employees to achieve promotions.



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4. **Job Enrichment:** Job enrichment is concerned with designing jobs that include greater variety of work content, require higher level of knowledge and skill; give workers more autonomy and responsibility; and provide the opportunity for personal growth and a meaningful work experience. If jobs are enriched and made interesting, the job itself becomes a source of motivation to the individual.
5. **Employee Recognition programmes:** Most people have a need for evaluation of their work and due recognition. Recognition means acknowledgment with a show of appreciation. When such appreciation is given to the work performed by employees, they feel motivated to perform/work at higher level.

Some examples of employee recognition are:

1. Congratulating the employee for good performance.
2. Displaying on the notice board or in the company newsletter about the achievement of employee.
3. Installing award or certificate for best performance.
4. Distributing mementos, complimentary like T-shirts in recognition of employee services.
5. Rewarding an employee for giving valuable suggestions.

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6. **Job security:** Employees want their job to be secure. They want certain stability about future income and work so that they do not feel worried on these aspects and work with greater zeal. However, there is one negative aspect of job security. When people feel that they are not likely to lose their jobs, they may become complacent.
 7. **Employee participation:** It means involving employees in decision making of the issues related to them. In many companies, these programmes are in practice in the form of joint management committees, work committees, canteen committees etc.,
 8. **Employee Empowerment:** Empowerment means giving more autonomy and powers to subordinates. Empowerment makes people feel that their jobs are important. This feeling contributes positively to the use of skills and talents in the job performance.

**SEE PART 2 OF PPT FOR REMAINING
TOPICS**

