UNIT-IV MOTIVATION&DIRECTIONS
INTRODUCTION

Introduction to Motivation:

Abraham Lincoln, until past forty, was a failure in almost all activities he undertook. When asked about the change he said, 'My father taught me to work but did not teach me to love my work. I hit that accidentally, when I was past forty'. This 'love or will to do' (called motivation) depends on the strength of people's motives. Motives are the expressed needs and could be conscious or subconscious. They are always directed towards goals.

Motivating people to perform better and thus to achieve organizational objectives has been the greatest challenge to managers. Why do some people perform better than others? Why does the same person act differently at different times? These and many other questions related to work performance have been confronting managers continuously.

Motivating people to perform, higher than their normal physical and mental capacities, and to keep them satisfied is a very complex function of management.

Definition of Motivation:

Motivation is an inspirational process which impels the members of the team to pull their weight effectively to give their loyalty to the group, to carry out the tasks properly that they have accepted, and generally to play an effective part in the job that the group has undertaken.

In the words of Michael Jucious, 'motivation is the act of stimulating someone or oneself to get a desired course of action, to push the right button to get a desired reaction'.

S. Zedeek and M. Blood define, 'Motivation is a predisposition to act in a specific goal-directed way'.

Following are the importance of motivation in an organization:
1. Greater efficiency:

Motivation enhances the efficiency of the employees and of organization. When employees are motivated, they can perform with commitment and dedication.

2. Reduction in absenteeism and labour turnover:

Motivated employees may not remain absent or leave the organization. They develop a sense of belonging towards the organization and thus improve their overall performance.

3. Team spirit:

Motivation improves team spirit of employees, and this improves the work environment and the overall performance of the employee and the organization.

4. Reduction in wastages and breakages:

Motivated employees take great care in handling machines and other resources. This will reduce wastages and breakages, thus resulting in higher benefits to the organization.

5. Cordial relations:

Motivation enables cordial and healthy relationship in the organization. Motivation helps reduce labour grievances and disputes. It ensures sound relations between the management and the labour. It improves the overall efficiency of the organization.

6. Promotion of innovation:

Motivated employees use their initiative to find out innovative ways in the performance of their operations. Such employees are more creative and help the organization to gain the competitive advantage.

7. Optimum use of resources:

Motivation leads to greater employee involvement and lesser wastages. This leads to optimum utilization of resources.

8. Corporate image:

Motivated employees are more loyal to the organization. They work with a sense of commitment and dedication. This improves the overall performance of the employee, which enables better results for the company. This results in better relations with all the stakeholders.

Characteristics/Features of Motivation:
1. Interaction between the individual and the situation:

Motivation is not a personal trait but an interaction between the individual and the situation.

2. Goal-directed behaviour:

Motivation leads to an action that is goal oriented. Motivation leads to accomplishment of organizational goals and satisfaction of personal needs.

3. Systems oriented:
Motivation is influenced by two forces:
a. Internal forces:
These forces are internal to the individual, i.e., their needs, wants and nature.

b. External forces:
These forces are external to the individual, who may be organizational related such as management philosophy, organizational structure, and superior-subordinate relationship, and also the forces found in the external environment such as culture, customs, religion and values.

4. Positive or negative:

Positive motivation or the carrot approach offers positive incentives such as appreciation, promotion, status and incentives. Negative motivation or stick approach emphasizes penalties, fines and punishments.

5. Dynamic and complex in nature:

Human behaviour is highly complex, and it becomes extremely difficult to understand people at work. Motivation is a dynamic and complex process.

Introduction to directions:

In addition to planning, organising and staffing, every manager must also direct his subordinates. Directing is an important managerial function. Directing is an important managerial function which initiates organizer's action.

It is concerned with managing the members of the organisation. Directing is the managerial function that consists of those activities which are concerned directly with influencing, guiding or supervising the subordinates in their jobs.

Thus directing is performance oriented and the initiating function of management that actuates plans and the organisation. If subordinates are not properly directed, nothing can be accomplished. Direction is another important element of management.

It is the sum total of managerial efforts which takes the organisation towards the predetermined goals. It is in fact part of every managerial action. The organisation does not start working till the manager gives direction which means guiding and supervising the subordinates.

To carry out the function of direction is a tough task for the manager. It involves the tackling of human beings with varied nature. It is the inter-personal phenomenon which is concerned with men in one form or the other at every level of management.

Definition:

A few definitions of direction given by eminent authors will be helpful in understanding its meaning clearly.

These are given as under:

"Directing concerns the total manner in which a manager influences the actions of subordinates. It is the final action of a manager in getting others to act after all preparations have been completed." —Joseph Massie

"Direction is the impersonal aspect of managing by which subordinates are led to understand and contribute effectively and efficiently to the attainment of enterprise objectives." —Koontz and O'Donnell

"Direction is telling people what to do and seeing that they do it to the best of their ability. It includes making assignments, corresponding procedures, seeing that mistakes are corrected, providing on-the-job instructions and of course, issuing orders. "—Ernest Dale

"Direction is the sum total of managerial efforts that are applied for guiding and inspiring the working terms to make better accomplishments in the organisation. " —S.S. Chatterjee

In simple words, directing initiates action in the organisation according to certain predefined standards, rules and regulations. It is concerned with the mobilization of the human efforts and human resources to achieve certain goals in a definite time period.

Features or Characteristics:

(i) It is concerned with issuing of orders and instructions to the subordinates.

(ii) It is guiding and counselling the subordinates in their work with a view to improving their performance.

(iii) It is supervision of the work of subordinates to ensure that it conforms to plans.

(iv) Directing is pervasive because it is performed at all levels of management.

(v) It is a continuous process because it deals with the continuous guidance to be provided by the superiors to their subordinates.

(vi) It always follows a top down approach.

(vii) It provides linkage between other managerial functions such as planning, organising and staffing.

Directing is a continuous function, because a manager never ceases to direct, guide and supervises his subordinates. It is concerned with managing the members of the organisation. It is essentially concerned with people and activities. It involves motivation, leadership, supervision, communication and coordination.

It does not cease merely with the giving of orders and instructions. The manager, in order to direct his subordinates, should communicate with them, devise suitable system for motivating them, and carry them with him through dynamic leadership. The directing function cannot be performed separately and it must be executed in conjunction with all other functions of management.

Elements of Directing:
The essential elements of directing are:
1. Issuing orders and instructions:
Every instruction given by the manager in the process of directing his subordinates should be reasonable, complete and clear. It must be in writing, so that the possibility of misunderstanding can be avoided.

2. Guiding, counselling and teaching the subordinates:
The manager should guide, counsel and teach the subordinates with regard to the proper way of doing the job in order to enable them to carry out their job-effectively and efficiently.

3. Supervising the work of subordinates:

Every work of subordinates should be supervised by the manager to ensure that their performance conforms to the plan.

4. Motivating the subordinates:

Motivating the subordinates to meet the expectations of the superiors is another element of directing.

5. Maintaining Discipline:

Another element of directing is maintaining discipline and rewarding efficient performance.

6. Consultative Direction:

Before the issue of any order, the people responsible for executing order will be consulted with regard to its feasibility, workability and the best way of accomplishing the results.

OBJECTIVES AND HUMAN FACTORS

The objective of motivation process is to know as to where from does it starts and where does it end. This is a work that cannot be finished at one go. It is a combination of various steps. Robbins and Coulter have presented the following 'Need-satisfying Process':

(1) Unsatisfied Need:
At the first step of motivation a person feels the need of something or there is a feeling that he lacks something.

(2) Tension:
The person concerned gets tensed at the very idea of his need not being satisfied.

(3) Drives:
Drive signifies some sort of tumult in the mind of the person concerned. At this step the person concerned endeavors to fulfill his need. The fulfillment of need depends on the direction and intensity of the drive.

(4) Search Behaviour:

At this step, a person tries to discover different options to fulfill his need. He puts the best option into operation.

(5) Need Satisfied:

If the option really happens to be a correct one, satisfaction is obtained.

(6) Reduction of Tension:

The person concerned gets relieved when his need is satisfied.

Human Factors of Motivation

There are four factors that exist in every organization and determine the levels of motivation of the staff, whether positive or negative. Fortunately, each of these ingredients can be changed in a positive way—usually when a new leader replaces a leader whose management style has not been conducive to bringing out the very best in each person.

Basics of Motivation

These four factors are (1) leadership style, (2) the reward system, (3) the organizational climate, and (4) the structure of the work.

1. Leadership style.

This is a key factor in determining how people feel about the company and how motivated they are. Very often, just changing the leader changes the psychological climate of the company and, in turn, the whole performance of people in the organization.

The appropriate leadership style depends on the goals and objectives of the organization, the people within the company, and the external environment.

In a SWAT team or a fire department, the appropriate style would be more directed and dictatorial, with the person in charge telling people what to do quickly with little concern for personal sensitivities. This style can also be found among entrepreneurial organizations, many of which are struggling for their very survival. In most cases, however, traditional to-down leadership style is no longer acceptable in today's breed of employees, who expect to be able to speak out, be heard, and have a clear influence on how they do the work.

Different strokes for different folks. A second leadership style is collegial, where one person may be in charge of a department but functions at the same level and with the same knowledge and skill as his co-workers. In this type of organization, people are respected for their knowledge, skill, and ability to do the job.

Other leadership styles that have been identified are telling, selling, persuading, and participating. Each of these styles is appropriate depending on whether the employee is new or experienced, and whether there is ample time or urgency in completing the task. Sometimes, the manager is required

to use different leadership styles for different people under differing circumstances.

2. The Reward system.

Every organization is characterized by a particular type of reward structure, often differing from person to person and from department to department.

As author Michael LeBoeuf says in his book, *The Greatest Management Principle in the World,* "What gets rewarded gets done." If you want more of something in an organization, simply increase greater rewards for that behavior. If you want less of an activity in an organization, simply reduce the rewards, or increase the punishment or disapproval for that behavior. People respond to incentives.

It is quite common for companies to identify their most profitable products and services, and then increase the percentage of commission that salespeople will receive for selling those specific products and services, while maintaining lower commissions for less profitable items. Salespeople, and managers for that matter, respond very quickly to increased or decreased financial rewards for specific behaviors or for achieving specific goals.

3. Organizational climate.

Is your company a "great place to work"? The organizational climate is deliberately created and maintained by management. It largely consists of the way that people treat each other up and down the line.

When Thomas J. Watson, Sr., started IBM, he laid out the three core values of the company. These values—excellent products and services, excellent

customer service, and respect for the individual—would determine the future of IBM, eventually making it the biggest and most respected computer company in the world.

The principle of "respect for the individual" was adamantly enforced at every level of the organization, both nationally and internationally. You could make almost any mistake at all at IBM, except one. You could not disrespect, demean, or insult another person, either inside or outside of the organization. Treating people badly, especially people under your authority, was grounds for dismissal, no matter how long you had been with the company.

As a result of this element of organizational climate, not only did people compete vigorously to get into IBM in the first place, but once there they were some of the happiest, most productive, and creative people in any company in any industry.

4. The structure of the work.

Some work is inherently motivational, requiring creativity, imagination, and high levels of energy. Work that involves communicating, negotiating, and interacting with other people in order to gain their cooperation to get the job done quickly and well brings out the best energies of the individual. It is exciting and challenging. It is usually highly rewarding as well.

However, an enormous amount of work must be standardized, routinized, and made relatively unexciting in order to be done efficiently and cost effectively. It is hard to motivate factory workers who work on a production

line all day and whose activities are carefully monitored and regulated to ensure maximum levels of productivity.

Good organizations are always trying to structure the work so as to match the nature of the work with the nature of the employee and to make the work as interesting and enjoyable as possible.

CREATIVITY AND INNOVATION

Creativity is thinking up **new** things.
Innovation is doing **new** things.

Over the last decades, innovation and creativity have become critical skills for achieving success in developed economies. The need for creative problem solving has arisen as more and more management problems require creative insights in order to find suitable solutions.

Creativity goes hand in hand with innovation. And there is no innovation without creativity. While creativity is the ability to produce new and unique ideas, innovation is the implementation of that creativity - that's the introduction of a new idea, solution, process, or product. Creativity is the driving force behind innovation and the incorporation of looking at things from a different perspective and freedom of restrictions by rules and written or unwritten norms.

Creativity and innovation within well-run companies have always been recognized as a sure path to success. Stimulating creativity and exploring completely new and unknown before territories lead as result to increasing the productivity of the organisation. Encouraging the employees to think outside of the box and giving them time and resources to explore new areas for innovative ideas is the key to cost-effective business solutions.

Creativity improves the process of solving problems. It doesn't matter if we're talking about developing a new strategy or an innovative way to stay ahead of the competition. Creative problem solving gives that competitive edge that any business is striving to achieve.

Creative ideas and innovative approaches can come from almost anywhere-from your partners, customers, target groups, employees. They can bring you fresh perspectives and ideas, so show them that you're listening and open to their

feedback. That's why it is important an open exchange of ideas to be supported and encouraged by the company.
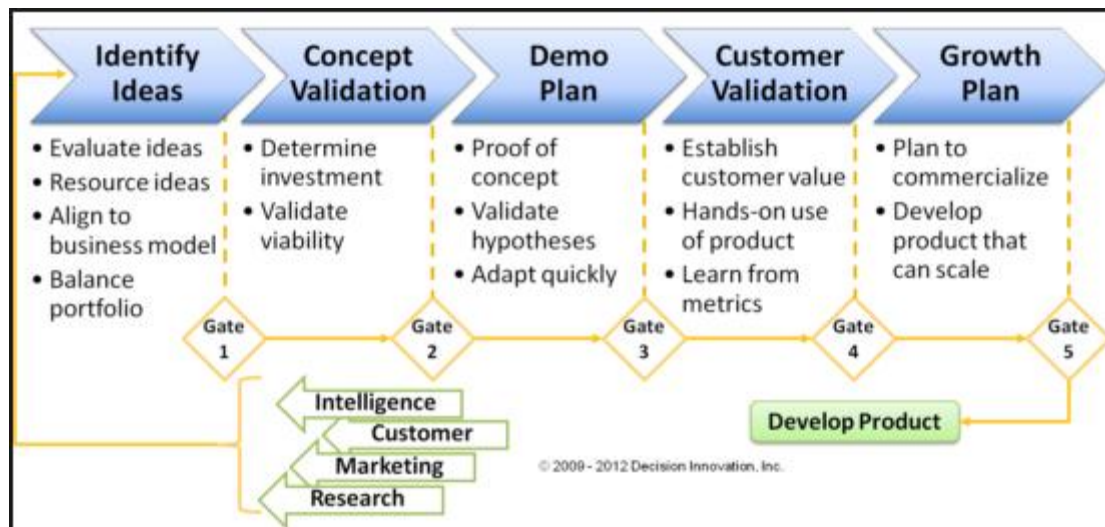
Innovation includes a set of tools that allow managers and engineers to cooperate with a common understanding of processes and goals. Innovation management allows the organization to respond to external or internal opportunities, and use its creativity to introduce new ideas, processes or products. It is not relegated to R&D; it involves workers at every level in contributing creatively to a company's product development, manufacturing and marketing.

1. Idea Generation and Mobilization

New ideas are created during idea generation. Mobilization occurs when the idea is moved to a different physical or logical location, such as an outside firm or another department.

Inspiration for a new idea can originate from an improvement of an existing idea, or something from scratch.

2. Advocacy and Screening

Not all ideas are worth implementing. Advocacy and screening help evaluate an idea and measure its potential benefits and problems. From there, a decision can be made about an idea's future.

One of the biggest advantages for the joint processes of advocacy and screening is refinement. If the idea has potential, discussions and arguments help enhance it. Companies looking to build a robust culture can establish a few best practices for this step. First, employees should have plenty of avenues to receive advocacy and feedback. Second, organizations must understand the difficulties involved with evaluating truly innovative ideas. Third, organizations need to build transparent evaluation and screening protocols.

3. Experimentation

The experimentation stage tests an idea, such as with a prototype or pilot test. Researchers in *Innovation: Management, Policy & Practice* carefully note that "Experimentation does not test an idea's objective merits, but the suitability for a particular organization at a particular time.

Experimentation can remain continuous or exist in spurts, as advocates and screeners re-evaluate an idea. Sometimes, experimentation leads to new ideas due to information that is gathered on the results and the overall feasibility of the original idea. Time is crucial in this process; individuals must be given adequate time to run the experiments. As refinements and evaluations occur, they must be given enough time to reflect on the experiments.

4. Commercialization

Commercialization aims to create market value for an idea by focusing on its potential impact. This step makes the idea appealing to the audience, such as by packaging an idea with other ideas, clarifying how and when the idea can be used, and using data or prototypes from experiments to demonstrate benefits.

An important part of commercialization is establishing the specifications of any given idea. "The promises and potentials of the earlier stages of innovation must be discarded so that the actual benefits of the new innovation can be perceived and communicated," Commercialization is the stage of the innovation process when the focus shifts from development to persuasion. After the idea is clarified and a business plan is created, it will be ready for diffusion and implementation.

5. Diffusion and Implementation

"Diffusion and implementation are two sides of the same coin". Diffusion is the companywide acceptance of an innovative idea, and implementation sets up everything needed to develop and utilize or produce the innovation.

Diffusion happens at all levels of an organization. This process is often aided by *knowledge brokers*, who are effective at presenting an innovation by using their awareness of "the specific content and application into which an idea, product or service can be inserted." As a result, knowledge brokers are able to assist with rapid implementation.

The use or application of the innovation should be demonstrated by the end of this stage, along with acceptance of the innovation. For the innovation to succeed, it will need the proper resources, a marketing plan for customers and an open culture with strong advocacy. Also important to diffusion and implementation is the opportunity for future ideas; this final stage allows the organization to determine the next set of needs for customers. Receiving feedback, in addition to indicators for success metrics and other benchmarks, enables the organization to stimulate the innovation process once again.

Managers play a vital role in an organization that meets the challenges of innovation. Managers need to pay constant attention to operational details of innovation projects. Managers should keep an eye on how their projects are doing, and, to ease the burden of this task, they can establish a learning-focused environment that encourages employees to explore and generate new ideas.

- o Managers need to be clear about how ideas are selected and evaluated. Clear-cut protocols are a feature of robust organizations, and these protocols help managers keep their focus on the processes of robust innovation.

- Managers must quickly respond to external constituents and provide their opinions for experimentation. The right questions can help guide this process to make it effective and relevant.

- Managers need to pay attention to customer desires and perceptions. Creative use of technology, such as data mining and pervasive computing infrastructure, is important.

HARMONISING OBJECTIVES:

Harmonisation is the process of creating common standards across the internal market. Harmonisation is usually not comprehensive but is relatively partial. That is, harmonisation of law doesn't seek to create a sole authority of law on a particular subject. This is because measures to harmonise law cannot go further than that which is necessary. Harmonisation is unsystematic. Harmonisation generally takes place on two levels of governance, the overarching body and each of the members individually. The best example of harmonisation in modern history is the formation of the European Union.

LEADERSHIP

Definition

Leadership is defined as influence, the art or process of influencing people so that they will strive willingly and enthusiastically toward the achievement of group goals.

- Leaders act to help a group attain objectives through the maximum application of its capabilities.
- Leaders must instill values – whether it be concern for quality, honesty and calculated risk taking or for employees and customers.

SKILLS

1. The ability to use power effectively and in a responsible manner
2. The ability to comprehend that human beings have different motivation forces at different times and in different situations
3. The ability to inspire
4. The ability to act in a manner that will develop a climate conductive to responding to and arousing motivations.
5. Fundamental understanding of People
6. ability to inspire followers to apply their full capabilities to a project

Leadership Styles

1. **Autocratic Leader** –Commands and expects compliance, is dogmatic and positive, and leads by the ability to withhold or give rewards and punishment.
2. **Democratic or Participative** – consults with subordinates on proposed actions and decision and encourage participation from there
3. **Free-rein leader / laissez-faire Leadership** – uses his or her power very little, giving a high degree of Interdepence in their operations. Leaders depend largely on subordinates to set their own goals and the means of achieving them, and they see their role as one of aiding the

operation of followers by furnishing them with information and acting primarily as a contact with the groups external Environment.

4. **Paternalistic Leadership** – Serves as the head of the family and treats his followers like his family members. He assumes a paternal or fatherly role to help, guide and protect the followers.

Functions

1. Goal Determination
2. Motivating Followers
3. Direction
4. Coordination
5. Representation

Importance of Leadership

1. Aid to authority
2. Motive power to group efforts
3. Basis for co operation
4. Integration of Formal and Informal Organization.

Theories

1. **Trait Theory** – A Leader is a one who has got a enthusiastic look, courageous look – describes the external qualities of a person
2. **Behavioral Theory** – A person who intend to be leader, they do not have any qualities like Trait Theory
3. **Contingency Theory –**
   a. **Fiedler Model**
   b. **Likert Model**
   c. **Managerial Grid Theory**

Fiedler Model - Leaders can be classified as two -

a. Relationship Oriented
b. Task Oriented

3 Situations been given to find the performance of two types of Leader-

– Leader member Relationships

- Task Structure

- Position Power

Employees under Relationship oriented Leader seems to achieve more performance than the other.

Likerts Model

System 1 – Exploitive Autocratic Leader (oriented towards task alone)

System 2 – Benevolent Autocratic Leader (task oriented but has the quality of opposing if things are good)

System 3 – Participative Leader (concerns the employees for a particular kind of work, though he concern decision will be taken only by him.

System 4 – Democratic Leader

3 Situations

1. Confidence / Trust in Employees

2. Subordinates feeling of freedom

3. Managers seeking involvement with Subordinates

Ratings of the Leaders by their employees at different situations

Managerial Grid Theory

Proposed by Blake and Mounton

2 Kinds of Leader

1. Leaders concerned for People

2. Leader concerned for production / Task

Leader styles

1. Task Manager E.g., Defense , Concerned only on task

2. Team Builders – leaders high concern for production as well as people

3. Impoverished Style – Unfit for Leadership qualities, less concern for people as well as production

4. Country club Manager E.g. – Trade union, high concern for people than production.

MOTIVATION

INTRODUCTION

Management is the art of getting things done by others. Getting work done is a difficult task. It is related to human behaviour.

The success of any organization depends upon the behaviour and interest of employees. The organization goals are achieved through the right direction of human behaviour in a desired manner.

Before guiding or directing the employees, the reasons for such behaviour should be identified. The management can strategically motivation the employees based on such reasons.

Meaning

SCOTT "Motivation means a process of stimulating people to action to accomplish desired way."

"Motivation is the act of stimulating someone or oneself to get a desired course of action."

"Motivation can be referred to as an act of stimulation of work in order to get the desired objectives, whereas ability refers to the skill and competence to do a given work."

"Motivation means to provide someone with a motive."

Definition

"A motivation is an inner state that energies, activates , or moves and that directs behavior towards goals."

"A motive is restlessness , a lack , a yen, a force. One in the grip of a motive, the organism does something to reduce the restlessness, to remedy the lack , to alleviate the yen , to mitigate the force."

" Motivation is the complex forces starting and keeping a person at work in an organization. Motivation is something that moves the person to action and continues him in the course of action already initiated."

" Motivation refers to the way in which urges, drivers, desires, aspiration, striving or needs direct, control or explain the behaviour of human beings."

Koontz and O' Donnell

"Motivation is a general term applying to the entire class of drives, needs, wishes and similar forces."

Mr. Brech

"Motivation is a general inspiration process which gets the members of the team to pull their weight effectively, to give their loyalty to the group, to carry out properly the tasks they have accepted and generally to play an effective part in the job that the group has undertaken,"

"Motivation is a general term applying to the entire class of drives, desires, needs, wishes and similar forces. To say that managers motivate their subordinates is to say that they do those things which they hope will satisfy these drives and desires and induce the subordinates to act in a desired manner."

"Motivation is getting somebody to do something because he wants to do it. It was once assumed that motivation had to be injected from outside, but it is now understood that everyone is motivated by several differing forces."

"Motivation is a general term applied to the entire class of drives, desires, needs, wishes and similar forces. Nearly all conscious behaviour of human being is motivated. The internal needs and drives result into actions for instance, the need for food results in hunger and hence a person is motivated to eat."

"Motivation is the result of processes internal or external to the individual that arouses enthusiasm and persistence to pursue a certain course of action."

Stanley Vance defines motivation as, "any emotion or desire which so conditions one's will that the individual is propelled into action."

Robert Dubin defines motivation , " as the complex of forces standing and keeping a person at work in an organization."

Beach defines, " Motivation as a willingness to expand energy to achieve a goal or a reword."

Shartle defines, "Motivation as a reported urge or tension to move in a given direction or to achieve a certain goal."

Owen defines, " Motivation as an ordered way of explaining way a person elects to channel his energies in one direction rather than in another."

Eduir B. Flippo, " Motivation is the process of attempting to influence others to do yours will through the possibility of gain reward."

The Encyclopedia of management has defined motivation as,

" Motivation refers to the degree of readiness of an organism to pursue some destinated goal and implies the determination of the nature and locus of the forces inducing the degree of readiness."

Delton E. MC Farland,

" The concept of motivation is mainly psychological. It relates to those forces operating within the individual employee or subordinate which impel him to act or not to act in certain ways."

Michael J . Jucious,

" Motivation is the act of stimulating someone or oneself to get a desired course of action, to push the right button to get the desired action."

J.E.Rosenz Weig and E.K.Kast ,

" Motivation is an inspiration process which impels the members of the team to accomplish the desired goals."

S.Zedeck and K Blood, " Motivation is a pre-disposition to act in a specified goal directed way."

Features of Motivation

1.) Motivation can be positive or negative :-

    -> There can be positive motivation and negative motivation.

    -> Positive motivation can be simulative, such as higher pay, power position etc.

    -> Negative motivation implies the use of penalties, punishments etc.

2. Motivation is goal oriented :-

    -> Motivation is a behavioral concept. It directs human behavior towards the accomplishment of goals.

    -> If properly motivated, employees put in their best possible efforts in orders to achieve the desired goals.

3. Motivation is complex in nature :-

    -> Different individuals behave differently to a given set of incentives.

-> Some employees may be highly motivated when they are given monetary incentives, whereas others may be more motivated with the use of non-monetary incentives.

4. Motivation is system oriented :-

-> Motivation is a combined effect of these groups of factors.

-> Forces operating within individual, i.e. his nature, needs, values etc.

5. Motivation is different from job satisfaction:-

-> Motivation is the act to satisfy needs and desires. Job satisfaction results only when such needs and desires are fulfilled. Job satisfaction is the outcome of motivation.

6. Motivation is a continuous process:-

-> Motivation is not a onetime process.

-> This is because; human needs and desires are never ending. When one needs is satisfied, another needs emerges that is to be satisfied. Therefore managers have to identify the emerging needs of their subordinates and strive to satisfy such needs at regular intervals.

Importance of Motivation

1.   Maximum utilization of factors of production :

Workers perform the work sincerely through the inspiration of motivation.

2.   Willingness to work:

Motivation influences the willingness of people to work. A man is technically, mentally and physically fit to perform the work but they may not be willing to work.

3. Reduced absenteeism:

Financial incentive schemes coerce the workers to work more. This reduces absenteeism.

4. Reduced labour turnover:

Motivation has both financial and non-financial incentive schemes. This helps to retain the existing labourers.

5. Availability of right personnel:

Financial and non- financial incentives not only retain the existing employees but also attract the employees from outside the enterprise.

6. Building of good labour relations :

Motivation helps to solve the labour problems of absenteeism, labour turnover, indiscipline and grievance.

7. Increase in the efficiency and output:

Both workers and management have got benefits from motivational plans.

8. Sense of belonging:

A proper motivation scheme promotes closer rapport between enterprise and workers.

9. Basis of co-operation :

Efficiency and output are increased through co-operation. The co-operation could not be obtained without motivation, so motivation is a basis of co-operation.

10. Helps in realizing organizational goals :

Organizational goals are achieved quickly through motivation. Motivated employee have a feeling of total involvement in the performance of organization task.

Nature of Motivation

1.Based on motives

Motivation is based on individual's motives which are internal to the individual. These motives are in the form of feelings that the individual lacks something.

2. Affected by motivating

Motivation is affected by way the individual is motivated the act of motivating channelises need satisfaction.

3. Goal – directed behavior

Motivation leads to goal-directed behaviour. A goal-directed behaviour is one which satisfies the causes for which behaviour takes placed.

4. Related to satisfaction

Motivation is related to satisfaction. Satisfaction refers to the contentment experience of an individual which he derives out of need fulfillment thus satisfaction is a consequence of rewards and punishment associated with past experience.

5. Person motivated in totality

A person is motivated in totality and not in past. Each individual in the organization is a self-contained unit and his needs are interrelated.

6. Complex process

Motivation is a complex process, complexity emerges because of the nature of needs and the type of behaviour that is attempted to satisfy those needs.

MASLOW'S HIERARCHY OF NEEDS:
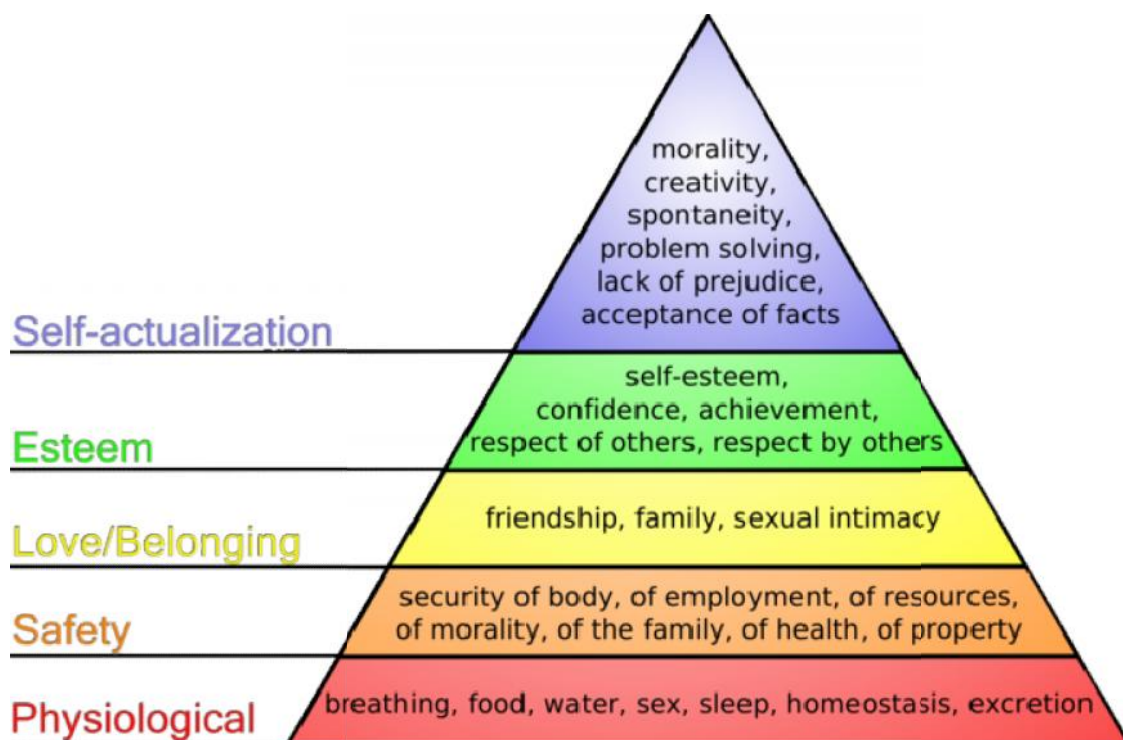
1. **Physiological needs-** These are the basic needs of an individual which includes food, clothing, shelter, air, water, etc. These needs relate to the survival and maintenance of human life.

2. **Safety needs-** These needs are also important for human beings. Everybody wants job security, protection against danger, safety of property, etc.

3. **Social needs-** These needs emerge from society. Man is a social animal. These needs become important. For example- love, affection, belongingness, friendship, conversation, etc.

4. **Esteem needs-** These needs relate to desire for self-respect, recognition and respect from others.

5. **Self-actualization needs-** These are the needs of the highest order and these needs are found in those person whose previous four needs are satisfied. This will include need for social service, meditation.

MOTIVATIONAL THEORIES

MCCLELANDS ACHIEVEMENT THEORY:

In the early 1940s, Abraham Maslow created his theory of needs. This identified the basic needs that human beings have, in order of their importance: physiological needs, safety needs, and the needs for belonging, self-esteem and "self-actualization".

Later, David McClelland built on this work in his 1961 book, "The Achieving Society." He identified three motivators that he believed we all have: a need for achievement, a need for affiliation, and a need for power. People will have different characteristics depending on their dominant motivator.

McClelland says that, regardless of our gender, culture, or age, we all have three motivating drivers, and one of these will be our dominant motivating driver. This dominant motivator is largely dependent on our culture and life experiences.

These characteristics are as follows:

| Dominant Motivator	Characteristics of This Person
Achievement	• Has a strong need to set and accomplish challenging goals. • Takes calculated risks to accomplish their goals. • Likes to receive regular feedback on their progress and achievements. • Often likes to work alone.
Affiliation	• Wants to belong to the group.

Dominant Motivator	Characteristics of This Person
	• Wants to be liked, and will often go along with whatever the rest of the group wants to do. • Favours collaboration over competition. • Doesn't like high risk or uncertainty.
Power	• Wants to control and influence others. • Likes to win arguments. • Enjoys competition and winning. • Enjoys status and recognition.

HERTZBERG'S TWO-FACTOR THEORY

In 1959, Frederick Herzberg, a behavioural scientist proposed a two-factor theory or the motivator-hygiene theory. According to Herzberg, there are some job factors that result in satisfaction while there are other job factors that prevent dissatisfaction. According to Herzberg, the opposite of "Satisfaction" is "No satisfaction" and the opposite of "Dissatisfaction" is "No Dissatisfaction".

Herzberg's two-factor theory
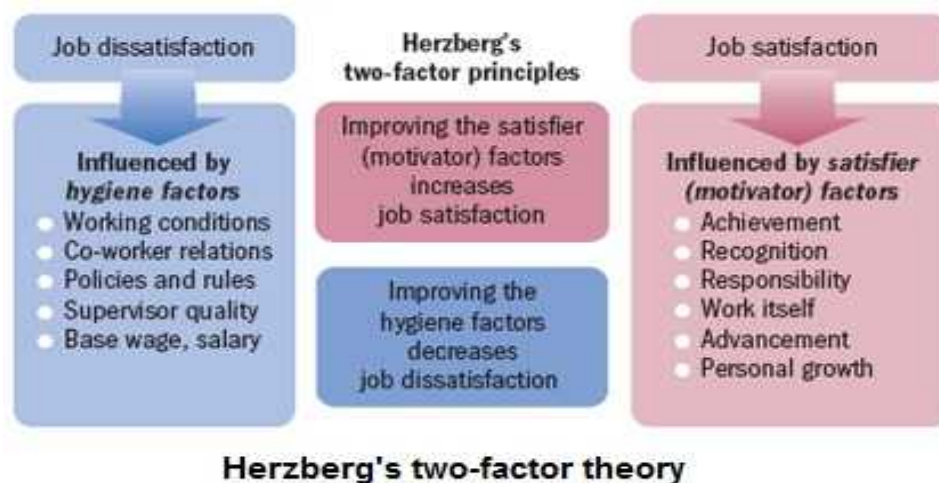
Herzberg classified these job factors into two categories-

a. **Hygiene factors-** Hygiene factors are those job factors which are essential for existence of motivation at workplace. These do not lead to positive satisfaction for long-term. But if these factors are absent / if these factors are non-existent at workplace, then they lead to dissatisfaction. In

other words, hygiene factors are those factors which when adequate/reasonable in a job, pacify the employees and do not make them dissatisfied. These factors are extrinsic to work. Hygiene factors are also called as **dissatisfies or maintenance factors** as they are required to avoid dissatisfaction. These factors describe the job environment/scenario. The hygiene factors symbolized the physiological needs which the individuals wanted and expected to be fulfilled. Hygiene factors include:

- Pay - The pay or salary structure should be appropriate and reasonable. It must be equal and competitive to those in the same industry in the same domain.

- Company Policies and administrative policies - The company policies should not be too rigid. They should be fair and clear. It should include flexible working hours, dress code, breaks, vacation, etc.

- Fringe benefits - The employees should be offered health care plans (mediclaim), benefits for the family members, employee help programmes, etc.

- Physical Working conditions - The working conditions should be safe, clean and hygienic. The work equipments should be updated and well-maintained.

- Status - The employees' status within the organization should be familiar and retained.

- Interpersonal relations - The relationship of the employees with his peers, superiors and subordinates should be appropriate and acceptable. There should be no conflict or humiliation element present.

- Job Security - The organization must provide job security to the employees.

b. **Motivational factors-** According to Herzberg, the hygiene factors cannot be regarded as motivators. The motivational factors yield positive satisfaction. These factors are inherent to work. These factors motivate the employees for a superior performance. These factors are called satisfiers. These are factors involved in performing the job. Employees

find these factors intrinsically rewarding. The motivators symbolized the psychological needs that were perceived as an additional benefit. Motivational factors include:

- Recognition - The employees should be praised and recognized for their accomplishments by the managers.

- Sense of achievement - The employees must have a sense of achievement. This depends on the job. There must be a fruit of some sort in the job.

- Growth and promotional opportunities - There must be growth and advancement opportunities in an organization to motivate the employees to perform well.

- Responsibility - The employees must hold themselves responsible for the work. The managers should give them ownership of the work. They should minimize control but retain accountability.

- Meaningfulness of the work - The work itself should be meaningful, interesting and challenging for the employee to perform and to get motivated.

Limitations of Two-Factor Theory

The two factor theory is not free from limitations:

1. The two-factor theory overlooks situational variables.

2. Herzberg assumed a correlation between satisfaction and productivity. But the research conducted by Herzberg stressed upon satisfaction and ignored productivity.

3. The theory's reliability is uncertain. Analysis has to be made by the ratters. The ratters may spoil the findings by analyzing same response in different manner.

4. No comprehensive measure of satisfaction was used. An employee may find his job acceptable despite the fact that he may hate/object part of his job.

5. The two factor theory is not free from bias as it is based on the natural reaction of employees when they are enquired the sources of satisfaction

and dissatisfaction at work. They will blame dissatisfaction on the external factors such as salary structure, company policies and peer relationship. Also, the employees will give credit to themselves for the satisfaction factor at work.

6. The theory ignores blue-collar workers. Despite these limitations, Herzberg's Two-Factor theory is acceptable broadly.

Implications of Two-Factor Theory

✔ The Two-Factor theory implies that the managers must stress upon guaranteeing the adequacy of the hygiene factors to avoid employee dissatisfaction. Also, the managers must make sure that the work is stimulating and rewarding so that the employees are motivated to work and perform harder and better. This theory emphasize upon job-enrichment so as to motivate the employees. The job must utilize the employee's skills and competencies to the maximum. Focusing on the motivational factors can improve work-quality.

EXPECTANCY THEORY

Expectancy Theory proposes that people will choose how to behave depending on the outcomes they expect as a result of their behaviour. In other words, we decide what to do base on what we expect the outcome to be. At work, it might be that we work longer hours because we expect a pay rise.

However, Expectancy Theory also suggests that the process by which we decide our behaviours is also influenced by how likely we perceive those rewards to be. In this instance, workers may be more likely to work harder if they had been promised a pay rise (and thus perceived that outcome as very likely) than if they had only assumed they might get one (and perceived the outcome as possible but not likely)

Expectancy Theory is based on three elements:

1. **Expectancy** – the belief that your effort will result in your desired goal. This is based on your past experience, your self confidence and how difficult you think the goal is to achieve.
2. **Instrumentality** – the belief that you will receive a reward if you meet performance expectations.
3. **Valence** – the value you place on the reward.

Therefore, according to Expectancy Theory, people are most motivated if they believe that they will receive a desired reward if they hit an achievable target. They are least motivated if they don't want the reward or they don't believe that their efforts will result in the reward.

REINFORCEMENT THEORY:

Reinforcement theory of motivation was proposed by BF Skinner and his associates. It states that individual's behaviour is a function of its consequences. It is based on "law of effect", i.e., individual's behaviour with positive consequences tends to be repeated, but individual's behaviour with negative consequences tends not to be repeated.

Reinforcement theory of motivation overlooks the internal state of individual, i.e., the inner feelings and drives of individuals are ignored by Skinner. This theory focuses totally on what happens to an individual when he takes some action. Thus, according to Skinner, the external environment of the organization must be designed effectively and positively so as to motivate the employee. This theory is a strong tool for analyzing controlling mechanism for individual's behaviour. However, it does not focus on the causes of individual's behaviour.

The managers use the following methods for controlling the behaviour of the employees:

- ✔ **Positive Reinforcement-** This implies giving a positive response when an individual shows positive and required behaviour. For example - Immediately praising an employee for coming early for job. This will increase probability of outstanding behaviour occurring again. Reward is a positive reinforce, but not necessarily. If and only if the employees' behaviour improves, reward can said to be a positive reinforcer. Positive reinforcement stimulates occurrence of behaviour. It must be noted that more spontaneous is the giving of reward, the greater reinforcement value it has.

- ✔ **Negative Reinforcement-** This implies rewarding an employee by removing negative / undesirable consequences. Both positive and negative reinforcement can be used for increasing desirable / required behaviour.

- ✔ **Punishment-** It implies removing positive consequences so as to lower the probability of repeating undesirable behaviour in future. In other words,

punishment means applying undesirable consequence for showing undesirable behaviour. For instance - Suspending an employee for breaking the organizational rules. Punishment can be equalized by positive reinforcement from alternative source.

✓ **Extinction-** It implies absence of reinforcements. In other words, extinction implies lowering the probability of undesired behaviour by removing reward for that kind of behaviour. For instance - if an employee no longer receives praise and admiration for his good work, he may feel that his behaviour is generating no fruitful consequence. Extinction may unintentionally lower desirable behaviour.

Implications of Reinforcement Theory

Reinforcement theory explains in detail how an individual learns behaviour. Managers who are making attempt to motivate the employees must ensure that they do not reward all employees simultaneously. They must tell the employees what they are not doing correct. They must tell the employees how they can achieve positive reinforcement.

MCGREGORS 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.
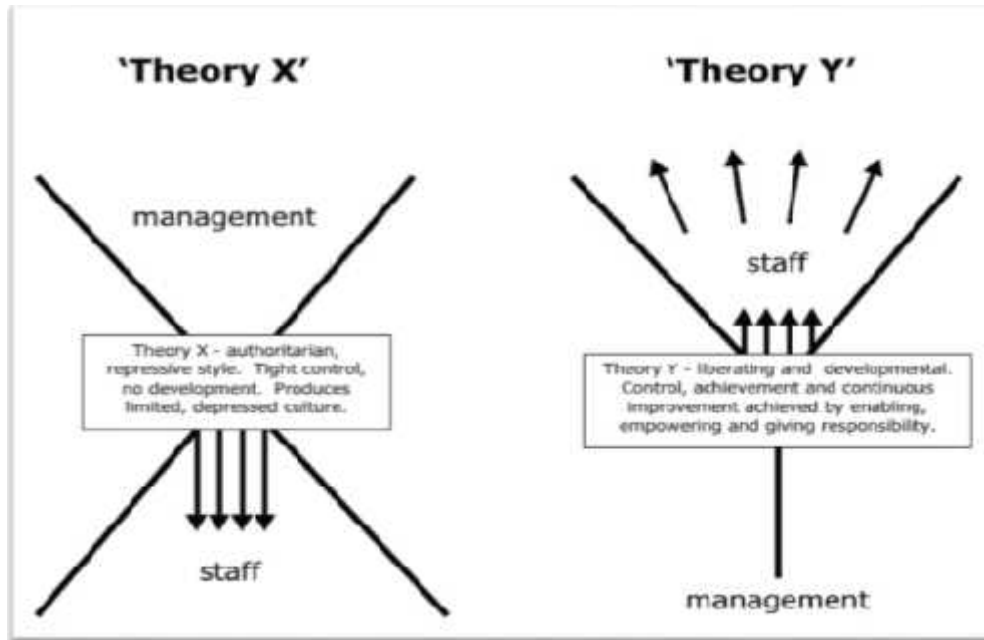
Assumptions of Theory Y

- 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 X 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.

Comparison between Theory X and Theory Y

Theory X	Theory Y
1. Inhernet dislike for work.	Work is natural like rest or play.
2. Unambitious and prefer to be directed by others.	Ambitious and capable of directing their own behaviour.
3. Avoid responsibility.	Accept and seek responsibility under proper conditions.
4. Lack creativity and resist change.	Creativity widely spread.
5. Focus on lower-level (physiological and safety) needs to motivate workers.	Both lower-level and higher-order needs like social, esteem and self-actualisation are sources of motivation.
6. External control and close supervision required to achieve organisational objectives.	Self-direction and self-control.
7. Centralisation of authority and autocratic leadership.	Decentralisation and participation in decision-making. Democratic leadership.
8. People lack self-motivation.	People are self-motivated.

EQUITY THEORY OF MOTIVATION

The core of the equity theory is the principle of balance or equity. As per this motivation theory, an individual's motivation level is correlated to his perception of equity, fairness and justice practiced by the management. Higher is individual's perception of fairness, greater is the motivation level and vice versa. While evaluating fairness, employee compares the job input (in terms of contribution) to outcome (in terms of compensation) and also compares the same with that of another peer of equal cadre/category. D/I ratio (output-input ratio) is used to make such a comparison.

EQUITY THEORY

Ratio Comparison	Perception
O/I a < O/I b	Under-rewarded (Equity Tension)
O/I a = O/I b	Equity
O/I a > O/I b	Over-rewarded (Equity Tension)

Negative Tension state: Equity is perceived when this ratio is equal. While if this ratio is unequal, it leads to "equity tension". J.Stacy Adams called this a negative tension state which motivates him to do something right to relieve this tension. A comparison has been made between 2 workers A and B to understand this point.

Referents: The four comparisons an employee can make have been termed as "referents" according to Goodman. The referent chosen is a significant variable in equity theory. These referents are as follows:

✔ Self-inside: An employee's experience in a different position inside his present organization.

✔ Self-outside: An employee's experience in a situation outside the present organization.

- Other-inside: Another employee or group of employees inside the employee's present organization.

- Other-outside: Another employee or employees outside the employee's present organization.

An employee might compare himself with his peer within the present job in the current organization or with his friend/peer working in some other organization or with the past jobs held by him with others. An employee's choice of the referent will be influenced by the appeal of the referent and the employee's knowledge about the referent.

Moderating Variables: The gender, salary, education and the experience level are moderating variables. Individuals with greater and higher education are more informed. Thus, they are likely to compare themselves with the outsiders. Males and females prefer same sex comparison. It has been observed that females are paid typically less than males in comparable jobs and have less salary expectations than male for the same work. Thus, a women employee that uses another women employee as a referent tends to lead to a lower comparative standard. Employees with greater experience know their organization very well and compare themselves with their own colleagues, while employees with less experience rely on their personal experiences and knowledge for making comparisons.

Choices: The employees who perceive inequity and are under negative tension can make the following choices:

- Change in input (e.g. Don't overexert)

- Change their outcome (Produce quantity output and increasing earning by sacrificing quality when piece rate incentive system exist)

- Choose a different referent

- Quit the job

- Change self perception (For instance - I know that I've performed better and harder than everyone else.)

✔ Change perception of others (For instance - Jack's job is not as desirable as I earlier thought it was.)

Assumptions of the Equity Theory

- The theory demonstrates that the individuals are concerned both with their own rewards and also with what others get in their comparison.

- Employees expect a fair and equitable return for their contribution to their jobs.

- Employees decide what their equitable return should be after comparing their inputs and outcomes with those of their colleagues.

- Employees who perceive themselves as being in an inequitable scenario will attempt to reduce the inequity either by distorting inputs and/or outcomes psychologically, by directly altering inputs and/or outputs, or by quitting the organization.

EXPECTANCY THEORY

The expectancy theory was proposed by **Victor Vroom** of Yale School of Management in 1964. Vroom stresses and focuses on outcomes, and not on needs unlike Maslow and Herzberg. The theory states that the intensity of a tendency to perform in a particular manner is dependent on the intensity of an expectation that the performance will be followed by a definite outcome and on the appeal of the outcome to the individual.

The **Expectancy theory** states that employee's motivation is an outcome of how much an individual wants a reward (Valence), the assessment that the likelihood that the effort will lead to expected performance (Expectancy) and the belief that the performance will lead to reward (Instrumentality). In short, **Valence** is the significance associated by an individual about the expected outcome. It is an expected and not the actual satisfaction that an employee expects to receive after achieving the goals. **Expectancy** is the faith that better efforts will result in better performance. Expectancy is influenced by factors such as possession of appropriate skills for performing the job, availability of right resources, availability of crucial information and getting the required support for completing the job.

Instrumentality is the faith that if you perform well, then a valid outcome will be there. Instrumentality is affected by factors such as believe in the people who decide who receives what outcome, the simplicity of the process deciding who gets what outcome, and clarity of relationship between performance and outcomes. Thus, the expectancy theory concentrates on the following three relationships:

- Effort-performance relationship: What is the likelihood that the individual's effort be recognized in his performance appraisal?

- Performance-reward relationship: It talks about the extent to which the employee believes that getting a good performance appraisal leads to organizational rewards.

- Rewards-personal goals relationship: It is all about the attractiveness or appeal of the potential reward to the individual.

Vroom was of view that employees consciously decide whether to perform or not at the job. This decision solely depended on the employee's motivation level which in turn depends on three factors of expectancy, valence and instrumentality.

Advantages of the Expectancy Theory

- It is based on self-interest individual who want to achieve maximum satisfaction and who wants to minimize dissatisfaction.

- This theory stresses upon the expectations and perception; what is real and actual is immaterial.

- It emphasizes on rewards or pay-offs.

- It focuses on psychological extravagance where final objective of individual is to attain maximum pleasure and least pain.

Limitations of the Expectancy Theory

- The expectancy theory seems to be idealistic because quite a few individuals perceive high degree correlation between performance and rewards.

- The application of this theory is limited as reward is not directly correlated with performance in many organizations. It is related to other parameters also such as position, effort, responsibility, education, etc.

Implications of the Expectancy Theory

✔ The managers can correlate the preferred outcomes to the aimed performance levels.

✔ The managers must ensure that the employees can achieve the aimed performance levels.

✔ The deserving employees must be rewarded for their exceptional performance.

✔ The reward system must be fair and just in an organization.

✔ Organizations must design interesting, dynamic and challenging jobs.

✔ The employee's motivation level should be continually assessed through various techniques such as questionnaire, personal interviews, etc.

JOB ENRICHMENT

Job enrichment is a management concept that involves redesigning jobs so that they are more challenging to the employee and have less repetitive work.

The concept is based on a 1968 *Harvard Business Review* article by psychologist Frederick Herzberg titled 'One More Time: How Do You Motivate Employees?' In the article, Herzberg stated that the greatest employee motivators, based on several investigations, are (in descending order): achievements, recognition, work itself, responsibility, advancement, and growth. To improve employee motivation and productivity, jobs should be modified to increase the motivators present for the employee.

To make this concept more usable, let's imagine you are a company manager and want to increase the satisfaction of your staff. As you walk through the process of job enrichment, you'll need to keep in mind these goals:

- Reduce repetitive work.

- Increase the employee's feelings of recognition and achievement.

- Provide opportunities for employee advancement (i.e. promotions into jobs requiring more skills).

- Provide opportunities for employee growth (i.e. an increase in skills and knowledge without a job promotion).

Why Enrich Jobs?

The purpose of job enrichment is to make the position more satisfying to the employee. Overall goals for the company often include increasing employee job satisfaction, reducing turnover, and improving productivity of employees.

To rephrase this: we want to enrich our staff's positions so that they will be happier, more productive, and less likely to seek a job elsewhere.

PRINCIPLES OF JOB ENRICHMENT

Vertical job loading is the terminology used by Herzberg to describe his principles for enriching positions and giving employees more challenging work. It is intended to contrast with 'job enlargement,' a.k.a. 'horizontal job loading,' which often involves giving employees more work without changing the challenge level.

To enrich a position, first brainstorm a list of potential changes to the position. Once you have a list of options, Herzberg recommends using the following seven principles to review the options, and shortlist only those that invoke one or more of the following:

1. Removing some controls while retaining accountability

2. Increasing the accountability of individuals for own work

3. Giving a person a complete, natural unit of work

4. Granting additional authority to employees in their activity

5. Making periodic reports directly available to the workers themselves rather than to supervisors

6. Introducing new and more difficult tasks not previously handled

7. Assigning individuals specific or specialized tasks; enabling them to become experts

Organizations are increasingly facing the heat of attrition, which is not good to health of the same. Lots of time, money and resources are spent into training an individual for a particular job and when he / she leaves the return on that investment equals null. Often it is not for the money that people leave; that may be the reason with the frontline staff but as we move towards the upper levels of organisational hierarchy, other reasons gain prominence. Many of those who quit their jobs complain of their jobs as uninteresting!

All this has compelled organisations to think of ways to make the job they offer interesting. Lots of efforts are made to keep monotony at bay; job enrichment is one of them. It is the process of making a job more interesting, challenging and satisfying for the employees. It can either be in the form of up gradation of responsibilities, increase in the range of influence and the challenges.

How does an Organisation Enrich a Job?

Typically job enrichment involves combining various existing and new tasks into one large module of work. The work is then handed over to an employee, which means there is an increase in responsibilities and scope. This increase in responsibility is often vertical. The idea is to group various tasks together such that natural work units are created.

In addition expanding jobs vertically also gives employee direct control over works units and employees that were formerly under the jurisdiction of top management only. While on one hand this increases the ownership of the employees in their work, it also relieves the unnecessary burden from the top management.

Job enrichment also opens up a feedback channel for the employees. Employees are frequently apprised of their performance. This keeps them on track and helps them know their weak and strong points. Performance standards are set for the employees themselves and future performances are matched against the benchmarks. All this without any serious intervention or involvement of the top management!

In a certain bank that dealt with commercial credit letters for import and export trade, the employees processed the documents in a sequence with each employee being specialised for certain aspect of verification. Often it so happened that a mistake at preceding level lead to a series of mistakes at succeeding level. Errors accumulated at each level and this result in huge loss of productivity.

The organisation decided to go for job enrichment where each employee or clerk was specialised in all aspects of processing. Each employee was now able to handle a client on his own. After some time it was found out that the transaction volume increased by 100 percent!

Benefits of Job Enrichment
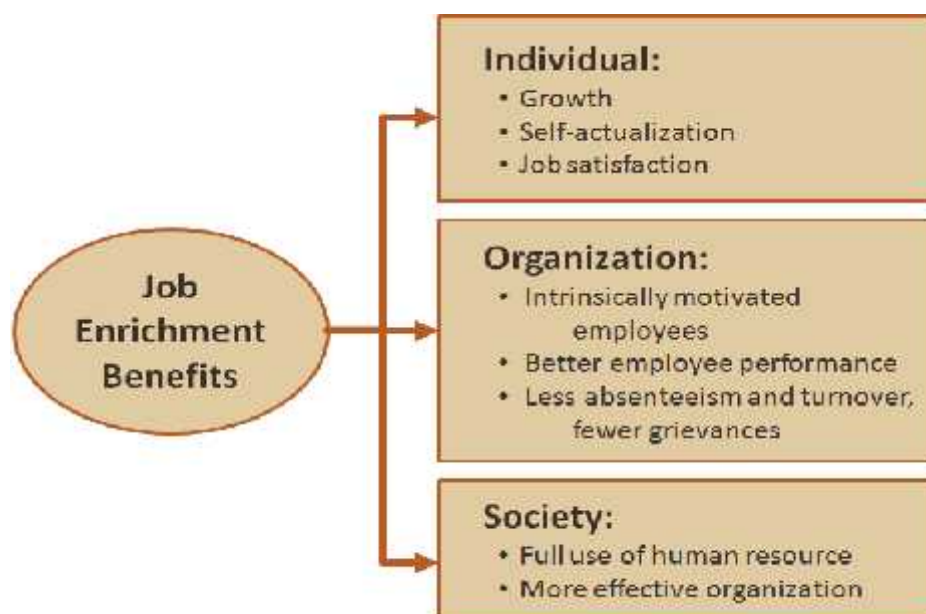
Research studies on job enrichment found out decreased levels of absenteeism among the employees, reduced employee turnover and a manifold increase in job satisfaction. There are certain cases however where job enrichment can lead to a decrease in productivity, especially when the employees have not been trained properly. Even after the training the process may not show results immediately, it takes time to reflect in the profit line.

COMMUNICATION

- Communication is derived from the Latin word Communis which implies common. Communication is the interchange of thoughts and information.
- Communication is neither the transmission of a message nor the message itself. It is the mutual exchange of understanding, originating with the receiver.
- Communication needs to be effective in business. Communication is the essence of management. The basic functions of management (Planning, Organizing, Staffing, Directing and Controlling) cannot be performed well without effective communication.
- Business communication involves constant flow of information. Feedback is integral part of business communication.
- Organizations these days are verily large and involve large number of people. There are various levels of hierarchy in an organization. Greater the number of levels, the more difficult is the job of managing the organization.
- Communication here plays a very important role in process of directing and controlling the people in the organization. Immediate feedback can be obtained and misunderstandings if any can be avoided.
- There should be effective communication between superiors and subordinated in an organization, between organization and society at large (for example between management and trade unions). It is essential for success and growth of an organization.
- Communication gaps should not occur in any organization.
- Business Communication is goal oriented. The rules, regulations and policies of a company have to be communicated to people within and outside the organization.
- Business Communication is regulated by certain rules and norms. In early times, business communication was limited to paper-work, telephone calls etc. But now with advent of technology, we have cell phones, video conferencing, emails, and satellite communication to

support business communication. Effective business communication helps in building goodwill of an organization.

ELEMENTS OF COMMUNICATION
The main **components of communication process** are as follows:

1. **Context -** Communication is affected by the context in which it takes place. This context may be physical, social, chronological or cultural. Every communication proceeds with context. The sender chooses the message to communicate within a context.

2. **Sender / Encoder -** Sender / Encoder is a person who sends the message. A sender makes use of symbols (words or graphic or visual aids) to convey the message and produce the required response. For instance - a training manager conducting training for new batch of employees. Sender may be an individual or a group or an organization. The views, background, approach, skills, competencies, and knowledge of the sender have a great impact on the message. The verbal and non verbal symbols chosen are essential in ascertaining interpretation of the message by the recipient in the same terms as intended by the sender.

3. **Message -** Message is a key idea that the sender wants to communicate. It is a sign that elicits the response of recipient. Communication process begins with deciding about the message to be conveyed. It must be ensured that the main objective of the message is clear.

4. **Medium -** Medium is a means used to exchange / transmit the message. The sender must choose an appropriate medium for transmitting the message else the message might not be conveyed to the desired recipients. The choice of appropriate medium of communication is essential for making the message effective and correctly interpreted by the recipient. This choice of communication medium varies depending upon the features of communication. For instance - Written medium is chosen when a message has to be conveyed to a small group of people, while an oral medium is chosen when spontaneous feedback is required from the recipient as misunderstandings are cleared then and there.

5. **Recipient / Decoder -** Recipient / Decoder is a person for whom the message is intended / aimed / targeted. The degree to which the decoder understands the message is dependent upon various factors such as

knowledge of recipient, their responsiveness to the message, and the reliance of encoder on decoder.

6. **Feedback -** Feedback is the main component of communication process as it permits the sender to analyze the efficacy of the message. It helps the sender in confirming the correct interpretation of message by the decoder. Feedback may be verbal (through words) or non-verbal (in form of smiles, sighs, etc.). It may take written form also in form of memos, reports, etc.

The importance of communication in an organization can be summarized as follows:

1. Communication promotes motivation by informing and clarifying the employees about the task to be done, the manner they are performing the task, and how to improve their performance if it is not up to the mark.

2. Communication is a source of information to the organizational members for decision-making process as it helps identifying and assessing alternative course of actions.

3. Communication also plays a crucial role in altering individual's attitudes, i.e., a well informed individual will have better attitude than a less-informed individual. Organizational magazines, journals, meetings and various other forms of oral and written communication help in moulding employee's attitudes.

4. Communication also helps in socializing. In todays life the only presence of another individual fosters communication. It is also said that one cannot survive without communication.

5. As discussed earlier, communication also assists in controlling process. It helps controlling organizational member's behaviour in various ways. There are various levels of hierarchy and certain principles and guidelines that employees must follow in an organization. They must comply with organizational policies, perform their job role efficiently and communicate any work problem and grievance to their superiors. Thus, communication helps in controlling function of management.

CHANNELS OF COMMUNICATION

1. **Formal Communication** – follows the route formally laid down in the organization structure
   a. **Downward Communication** – flow of communication from superior to subordinate
   b. **Upward Communication** - flow of communication from subordinate to superior
   c. **Horizontal Communication** – transmission of information among the positions at the same level of he Organization.

2. **Informal Communication or Grapevine** – Communication among people through informal contacts or relations.

Distinguish between Downward and Upward Communication

Downward	Upward
From higher to lower levels	From lower to higher levels
Flow is downward	Flow is upward
Directive in nature	Non-directive
Purpose is to get plans implemented	Purpose is to provide feedback on results
Travels fast	Travels slowly
Orders, instructions, lectures, manuals, handbooks, etc are the main examples	Reports, suggestions, grievances, protests, surveys are the main examples.

Distinction between Formal and Informal Communication

Formal Communication	Informal Communication
Official Channel	Unofficial Channel
Deliberately Planned and Systematic	Unplanned and Spontaneous
Part of Organization Structure	Cuts across formal relationships
Oriented towards goals and task of the enterprises	Directed towards goals and need satisfaction of individuals
Impersonal	Personal and social
Stable and rigid	Flexible and instable
Slow and Structured	Fast and Unstructured

Grapevine Communication

- Grapevine is an informal channel of business communication. It is called so because it stretches throughout the organization in all directions irrespective of the authority levels. Man as we know is a social animal.
- Despite existence of formal channels in an organization, the informal channels tend to develop when he interacts with other people in organization. It exists more at lower levels of organization.
- Grapevine generally develops due to various reasons. One of them is that when an organization is facing recession, the employees sense uncertainty.
- Also, at times employees do not have self-confidence due to which they form unions. Sometimes the managers show preferential treatment and favour some employees giving a segregated feeling to other employees.
- Thus, when employees sense a need to exchange their views, they go for grapevine network as they cannot use the formal channel of communication in that case.
- Generally during breaks in cafeteria, the subordinates talk about their superior's attitude and behaviour and exchange views with their peers. They discuss rumours about promotion and transfer of other employees. Thus, grapevine spreads like fire and it is not easy to trace the cause of such communication at times.

Grapevine Merits and Demerits

Merits	Demerits
Useful for developing group cohesiveness	Based on rumors
Serves as an emotional safety value	Misleads People
Effective source of knowledge feelings and attitudes of Employees	May breed against particular executives
Supplements the channels of official communication	May lead to more talk and less work
Tells mgt when to be firm and when to yield	May distort official channels of communication

MEDIA OR METHODS OF COMMUNICATION
1. Oral Communication
2. Written Communication
3. Gestural Communication

ORAL COMMUNICATION
Oral Communication involves exchange of messages through spoken words. It may take place. i) by face- to face contacts ii) through mechanical devices like telephone.

Merits

Oral or Verbal communication offers the following advantages:
1. Economical
2. Personal touch
3. Speed
4. Flexibility
5. Quick response

Demerits

Oral Communication suffers from the following weaknesses-
1. Lack of record
2. Time Consuming
3. Lengthy message
4. Physical distance

5. Misunderstanding

WRITTEN COMMUNICATION

Written Communication is transmitted through written words in the form of letter, circular, memos, bulletins, instruction cards, manuals, handbooks, reports, returns,

Merits
1. Effectiveness
2. Lengthy messages
3. Economical
4. Repetition
5. Permanent record
6. Better response

Demerits
1. Time Consuming
2. Expensive
3. Inflexibility
4. Little secrecy
5. Lack of personal touch
6. Misunderstanding

COMMUNICATION NETWORKS
1. Circle Network
2. Chain Network
3. Wheel Network
4. All Channel Network

BARRIERS TO COMMUNICATION
a. Organizational Barriers
1. Ambiguous policies, rules and procedures
2. Status patterns
3. Long chain of Command
4. Inadequate Facilities

b. Mechanical Barriers
1. Overloading
2. Semantic barriers
3. Noise

c. Personal Barriers
1. Lack of attention or interest
2. Failure to Communicate
3. Hasty Conclusion
4. Distrust of communicator
5. Improper state of mind.

MAKING COMMUNICATION EFFECTIVE
1. Sound Organization Structure
2. Clear messages
3. Two-way Communication
4. Multiple Channels
5. Good Listening
6. Effective Control
7. Modern Instrument
8. Human Relations attitude

ESSENTIALS OF GOOD COMMUNICATION SYSTEM
1. Clarity of messages
2. Completeness of message
3. Consistency of message
4. proper timing
5. Credibility
6. Empathy
7. Follow-up
8. Economy

ORGANISATION DEVELOPMENT (OD) PROCESS MODEL

The OD Process is based on the action research model which begins with an identified problem or need for change. The process proceeds through assessment, planning of an intervention, implementing the intervention, gathering data to evaluate the intervention, and determining if satisfactory progress has been made or if there is need for further intervention. The process is cyclical and ends when the desired developmental result is obtained.
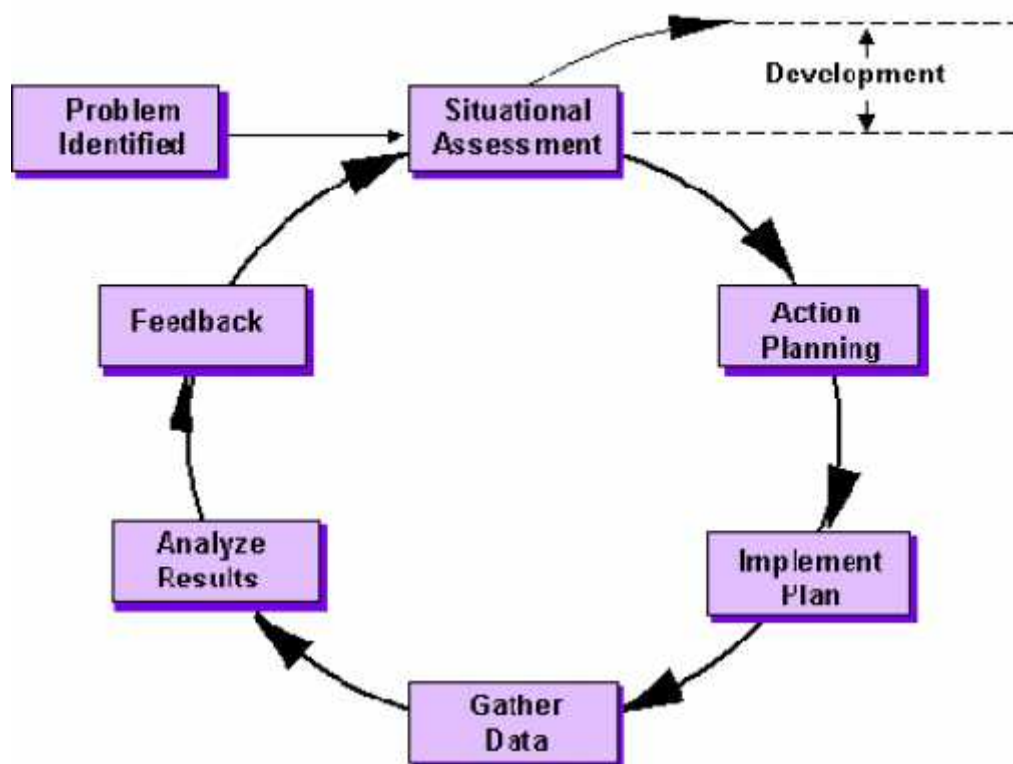
- Organization Development refers to the various ways and procedures to increase the productivity and effectiveness of an organization.
- Organization Development includes the various techniques which help the employees as well as the organization adjust to changing circumstances in a better way.
- The concept of Organization development enables the organization to achieve the targets and meet the objectives at a much faster rate.
- The employees as a result of organization development respond better to changes in the work culture.
- Organization development helps the employees to focus on their jobs and contribute in their best possible way.

- Management can handle the employees in a better way as a result of organization development.
- The OD process begins when an organization recognizes that a problem exists which impacts the mission or health of the organization and change is desired.
- It can also begin when leadership has a vision of a better way and wants to improve the organization. An organization does not always have to be in trouble to implement organization development activities.
- Once the decision is made to change the situation, the next step is to assess the situation to fully understand it.
- This assessment can be conducted in many ways including documentation review, organizational sensing, focus groups, interviewing, or surveying.
- The assessment could be conducted by outside experts or by members of the organization. After the situation is assessed, defined, and understood, the next step is to plan an intervention.
- The type of change desired would determine the nature of the intervention. Interventions could include training and development, team interventions such as team building for management or employees or the establishment of change teams, structural interventions, or individual interventions. Once the intervention is planned, it is implemented.
- During and after the implementation of the intervention, relevant data is gathered. The data gathered would be determined by the change goals.
- For example, if the intervention were training and development for individual employees or for work groups, data to be gathered would measure changes in knowledge and competencies.
- This data is used to determine the effectiveness of the intervention. It is reported to the organization's decision-makers.
- The decision-makers determine if the intervention met its goals. If the intervention met its goals, the process can end, which is depicted by the raising of the development bar. If it did not, the decision is made whether to continue the cycle and to plan and carry out another intervention or to end it.
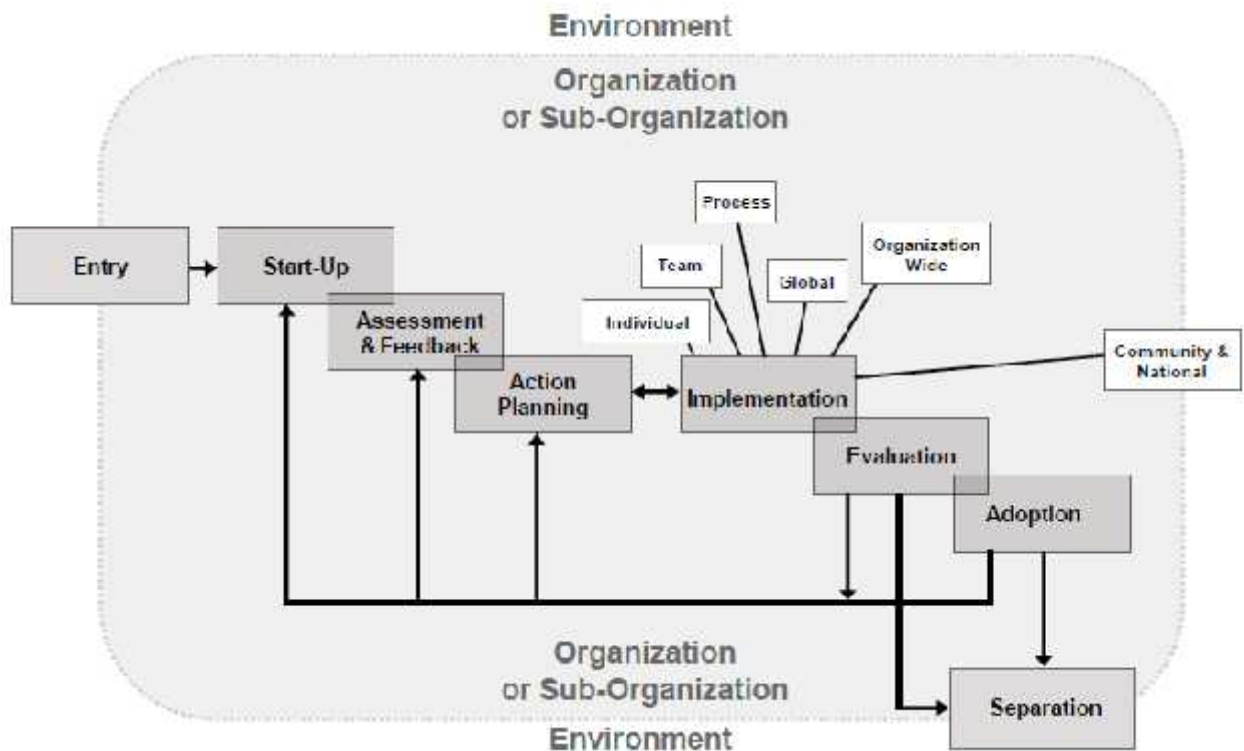
- *Start-up* – The next phase occurs after an agreement has been reached to work together, and a basic infrastructure (such as a client team with whom the consultant will work) is put in place.

- *Assessment and Feedback* – This phase is sometimes called *analysis* or *diagnosis*; in this phase, the consultant and client, together, determine the organizational culture, including its strengths and weaknesses, and give this information to the organizational members. The assessment can also focus on a specific area of interest to the organization that might, because of its lack of depth, require much less commitment of time and resources.

- *Action Plan* – Based on what was determined in the previous step, plans are mutually developed as to how the organization wishes to move forward, in terms of both goals and objectives and how these will be accomplished.

- *Implementation* – In this phase, the plans that were made in the previous step are implemented; in OD jargon, this is called an *intervention*.

- *Evaluation* – This phase answers the question, "How well did our intervention accomplish the objectives that were planned?"

- *Adoption* – If the evaluation indicates that the objectives of the intervention were accomplished, then the change that was implemented becomes institutionalized; that is, it becomes a part of the way in which business is done in the organization. If the evaluation indicates that

desired objectives were not met, then this phase is skipped. In both cases, the process begins all over again.

- *Separation* – At some point, the consultant will withdraw from the intervention process, having transferred his or her skills to the client organization (again, whether the OD professional is internal or external). This may occur because additional change is no longer a priority to the client organization, or that it is not ready for the next stage of change. It may be because OD skills are needed that the current OD consultant does not possess. It may be that the consultant has been co-opted by the organizational culture and is no longer able to maintain objectivity. For whatever reason, separation should occur intentionally and not by just letting it happens.

- **The goals and objectives of the organization must be clearly defined**. The employees must be aware of their duties and functions in the organization. The individuals must know what is expected out of them at the workplace.
- **It is essential to divide the work amongst the individuals as per their interests, specialization, experience and educational qualification**. Job mismatch should be avoided as it leads to demotivated employees. Let the individuals decide what best they can do.
- **The employees must share a cordial relationship with each other**. Conflicts and unnecessary misunderstandings lead to a negative ambience

at the workplace. There should be coordination between various departments for better results. Transparency is a must at all levels. Individuals must discuss matters among themselves before reaching to final conclusions. The departments must support each other in their work.

- **It is important to appreciate the ones who perform well**. Those who do well must be admired in front of all to motivate them and expect the same from them every time. The management must make the non-performers realize their mistakes and ask them to pull up their socks. They should not be criticized, instead dealt with patience and care. Give them opportunities but still if they don't perform up to the mark, punish them.
- **Leaders should be more like mentors and must provide a sense of direction to the employees**. They should bind the employees together and extract the best out of them. The superiors must be a source of inspiration for the subordinates.
- **Plan your resources well**.Promote training programs to upgrade the skills of employees and help them face the challenges and changes in the organization with utmost determination.