

## **SUMMARY DOCUMENT – Recruitment & Selection**

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### **1. Recruitment Process**

#### **Job Analysis – Key Terminologies**

##### **Job Analysis**

- Determines duties, responsibilities, skills, and the type of person suitable for the job.

##### **Job Description**

- Lists duties, responsibilities, reporting relationships, working conditions, supervisory roles.

##### **Job Specifications**

- Lists human requirements such as education, skills, personality, experience.
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### **2. Human Resource Planning (HRP)**

- HRP forecasts future HR requirements, anticipating supply and demand.
- Ensures the right number of employees with required skills are available when needed.
- HRP precedes recruitment and selection.

#### **Alternatives to Recruitment**

- **Outsourcing** – hiring external experts.
  - **Contingent Workers** – temporary or dependent workers.
  - **Professional Employer Organizations (Employee Leasing)** – hiring through external agencies.
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### **3. Recruitment**

Recruitment is the process of attracting a pool of qualified candidates.

Key goals: attract sufficient applicants and improve retention.

#### **Employee Requisition**

- Initiated by managers through a formal document specifying job title, department, needed date, etc.
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### **4. Sources of Recruitment**

#### **A. Internal Sources**

Recruits candidates already within the organization.

### **1. Present Employees**

- Transfers without promotion (e.g., professor to registrar).

### **2. Employee Referrals**

- Employees refer friends/family.
- Highly effective (lower turnover, higher retention).

### **3. Former Employees**

- Rehiring employees who left earlier for personal reasons.

### **4. Former Applicants**

- Reconsidering past candidates who meet requirements.

### **5. Internet Recruiting**

- Company websites and job portals (e.g., Naukri, Monster, TimesJobs).
  - Fast and cost-effective but may lead to flood of unqualified applications.
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## **B. External Sources**

Targets candidates outside the organization.

### **1. Advertisements**

- Widely used; newspapers, trade journals, magazines.

### **2. Educational Institutions (Campus Recruitment)**

- For technical/professional roles.

### **3. Professional/Trade Associations**

- Useful for specialized, skilled personnel.

### **4. Management Consultants**

- Recruit for middle/top-level positions.

### **5. Radio & Television**

- Used mainly by government departments.

### **6. Competitors (Poaching)**

- Attracting talent by offering better terms.
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## **5. Recruitment Methods**

### **A. Internal Recruitment Methods**

1. **Promotion & Transfer** – movement within company.
2. **Personnel Records & Skills Banks** – identifying employees with potential.
3. **Job Posting & Bidding** – employees apply for internal openings.
4. **Informal Methods** – grapevine or informal referrals.
5. **Inside Moonlighting** – employees take second job within the company.
6. **Employee Referrals** – incentivized referral programs.

## **B. External Recruitment Methods**

1. **Professional Associations**
2. **Employee Databases / Resume Registries**
3. **Media Advertisements**
4. **Employment Agencies (Public & Private)**
5. **Executive Search Firms (Headhunters)**
6. **Campus Recruiting**
7. **E-Recruiting** – job portals & social networks (LinkedIn).

## **Other Recruitment Methods**

- **Summer Internships** – project-based hiring; potential PPOs.
  - **Special Events Recruiting** – job fairs, open houses.
  - **Direct Mail Campaign** – personalized outreach to passive candidates.
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## **6. Selection – Meaning & Importance**

### **Definition**

Selection is the process of choosing suitable candidates from applicants by evaluating their qualifications, experience, skills, and fit.

### **Significance**

- Ensures right people are hired → higher productivity & lower turnover.
  - Mistakes in selection can be costly (training costs, absenteeism, low morale).
  - Determines long-term organizational success.
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## **7. Principles of Selection**

1. Recruitment aligned with organizational objectives.
  2. Compliance with government rules (reservations).
  3. Recruitment by a committee (not individuals).
  4. Clear and definitive recruitment policy.
  5. Flexibility for required changes.
  6. Impartiality and merit-based selection.
  7. Job security assurance to employees.
  8. Development opportunities for employees.
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## 8. Selection Procedure

### Objective

To determine whether an applicant meets job qualifications and select the best fit.

### General Steps in Selection

#### 1. Review of Application Forms

- Collects personal, educational, experience-related data.
- Permanent record for future reference.

#### 2. Preliminary Interview

- Quick screening to reject unsuitable candidates.
- Saves time and effort.

#### 3. Selection Tests

Types:

- **Cognitive Aptitude** – ability to learn, think.
- **Psychomotor Abilities** – coordination, dexterity.
- **Job Knowledge** – tests role-specific knowledge.
- **Work Sample/Simulation** – best predictor of performance.
- **Vocational Interest Tests** – interest alignment.
- **Personality Tests** – traits, temperament, behaviour.

#### 4. Employment Interview

- Face-to-face conversation.
- Evaluates communication skills, motivation, personality, and suitability.
- Weaknesses: bias, time-consuming, limited ability to test real skill.

#### 5. Checking References

- Verification of past employment, character, integrity.
- Often unreliable due to bias or lack of response.

#### 6. Selection Decision

- Match candidate performance with job standards.
- Final decision taken by appropriate authority.

#### 7. Physical Examination

- Ensures fitness, prevents disease, reduces accidents and absenteeism.
- Protects against compensation claims.

#### 8. Final Approval & Appointment

- Line manager approves shortlisted candidates.
- Issue appointment letter.
- Usually placed on probation (1–2 years).

- If unfit, may be trained, transferred, or terminated.

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## SUMMARY DOCUMENT – Week 9

### Placement • Orientation • Employee Development • Performance Appraisal

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## 1. PLACEMENT

### Meaning & Definition

- Placement is the **actual posting** of a selected candidate to a specific job.
- It involves **assigning duties, responsibilities, authority**, and connecting the employee with the employer.
- Placement is followed by **orientation**.
- Aims at ensuring the **right person is placed in the right job**.

### Importance of Proper Placement

1. Reduces employee turnover
2. Decreases absenteeism
3. Enhances morale
4. Ensures safety & reduces accidents
5. Improves human relations
6. Avoids misfit between job and person
7. Improves individual & organizational performance
8. Increases productivity / reduces wastage

### Principles of Placement

1. **Job Requirement First** – Fit the candidate to the job, not the job to the candidate.
2. **Qualification Match** – Role aligned to education & skill.
3. **Information Sharing** – Job duties, conditions, penalties must be clearly communicated.
4. **Loyalty & Cooperation** – Build responsibility and cooperative attitude in employees.

### Major Benefits of Placement

- Faster adjustment
- Fewer mistakes
- Better attendance
- Higher involvement
- Stronger peer relationships
- Better performance

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## 2. ORIENTATION (Induction)

### Meaning

- A **planned introduction** of new employees to their job, team, department, and organization.
- Helps reduce anxiety, clarify expectations, and begin organizational socialization.

### Why Orientation is Important

- Creates the **first impression**
- Reduces employee anxiety
- Clarifies **roles, responsibilities & policies**
- Initiates training and integration
- Reduces early turnover
- Helps new employees become productive faster

### Types of Information Covered

1. **General job routine** – daily tasks, operations
2. **Company overview** – history, mission, vision, milestones, structure
3. **Policies & rules** – HR policies, code of conduct, benefits, safety guidelines

### Purpose of Orientation

- Make employees feel welcome
- Reduce anxiety
- Align their expectations with organizational expectations
- Begin the **socialization process**

### Common Findings on New Employees

(From research studies)

- First days cause anxiety
- Peer "initiation" increases stress
- Anxiety affects training
- High turnover due to fear/insecurity
- New employees hesitate to approach supervisors

Orientation aims to **minimize these issues**.

## 3. EMPLOYEE DEVELOPMENT

### Meaning

- A **joint effort** by employer and employee to enhance skills, knowledge, and capabilities.
- Ensures employees remain competitive, productive, and future-ready.

### Importance of Employee Development

- Enhances skills & knowledge
- Prepares employees for future roles
- Increases productivity & motivation
- Strengthens employee loyalty

- Reduces attrition
- Builds a learning culture

## **Types of Employee Development Activities**

### **A. Professional Growth**

- Technical training
- Online courses
- Seminars, conferences
- Skill-building workshops

### **B. Personal Growth**

- Soft skills training (communication, leadership)
  - Fitness/health initiatives
  - Low-interest loans or welfare benefits
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## **4. Steps in Creating an Employee Development Plan**

### **Step 1 – Prepare the Employee**

- Employees should understand the value of training.
- HR may use questionnaires to identify needs:
  - KRAs, skills required, achievements, career goals, desired learning.

### **Step 2 – Plan Development Activities**

- Organize internal/external training
- Encourage teamwork, discussions, knowledge sharing
- Give additional responsibilities
- Provide exposure (client meetings, reports, presentations)

### **Step 3 – Performance Monitoring**

- Regular check-ins
- Quarterly reviews
- Constructive feedback

### **Step 4 – Create Confidence**

- Appreciate work
  - Build trust
  - Encourage employees to take initiative
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## **5. Individual Development Plan (IDP)**

### **Steps**

1. **Self-assessment** – strengths, weaknesses, KRAs, achievements
2. **Assess current position** – expectations, readiness for future responsibilities

3. **Identify development activities** – training, skills to be learned
  4. **Implement the plan** – monitor progress, take manager feedback
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## **6. Employee Development Plan Process**

### **Key Points**

- Begins on Day 1 (during induction)
- Should be continuous, not annual
- Must be linked to employee career goals
- Managers should give transparent feedback
- Two main types:
  - (1) **Professional Growth Plans**
  - (2) **Improvement Plans (PIP)**

### **Follow-up & Monitoring**

- Regular discussions
  - Problem-solving
  - Celebrate achievements
  - Ensure training effectiveness
  - Encourage informal learning (coffee meetings, open forums)
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## **7. Role of Managers in Employee Development**

Managers must:

- Motivate employees to learn
  - Provide correct guidance & feedback
  - Encourage innovative ideas
  - Monitor performance regularly
  - Suggest suitable courses & training
  - Respect opinions and promote open discussions
  - Allocate resources for development
  - Set an example by participating in training
  - Ensure opportunities for growth (job rotation, extra duties)
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## **8. Methods of Employee Development**

1. Committees & cross-functional groups
2. Conferences & seminars
3. Critical incident notes
4. Field trips (client/site visits)
5. Manuals & guidelines
6. Additional responsibilities
7. Job rotation



8. Job shadowing
  9. Teamwork & collaboration
  10. Study materials/articles/journals
  11. Special projects
  12. Online courses / distance learning
  13. Performance appraisals & feedback
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## **9. PERFORMANCE APPRAISAL (PA)**

### **Meaning**

A systematic review of an employee's **performance, contribution, skills, and growth** over a fixed period.

### **Purpose**

- Provide feedback
- Identify strengths & weaknesses
- Determine promotions, compensation, transfers, terminations
- Plan training and development
- Set future goals
- Ensure legal documentation of performance
- Support organizational decision-making

### **How Performance Appraisals Work**

- Usually annual/quarterly
  - Designed by HR
  - Helps allocate bonuses/raises
  - Improves employee–manager communication
  - Should not be the only performance discussion of the year
  - Must be confidential and unbiased
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## **10. Uses of Performance Appraisal**

- Promotion & succession decisions
  - Validating selection tools
  - Identifying training needs
  - Determining merit pay
  - Employee career planning
  - Legal defense in disputes
  - Improving organizational performance
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## **11. Objectives of Performance Appraisal**

1. Provide constructive feedback

2. Identify non-performers (for downsizing/right-sizing)
  3. Choose right employees for promotion
  4. Set and measure goals
  5. Improve performance
  6. Adjust compensation
  7. Strengthen coaching & mentoring
  8. Identify training needs
  9. Provide legal support for decisions
  10. Encourage learning & development
  11. Improve overall organizational efficiency
- 

## **12. Performance Standards**

Used to differentiate between acceptable and unacceptable performance.

### **Rating Levels**

- **Unacceptable** – far below minimum standard
- **Needs Improvement** – below expected level
- **Meets Expectations** – satisfactory performance
- **Exceeds Expectations** – above average performance
- **Outstanding** – highest effectiveness

Written justification is required for:

**Outstanding, Needs Improvement, Unacceptable.**

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## **SUMMARY DOCUMENT – Week 10**

**Performance Appraisals • Traditional & Modern Methods • Directing • Motivation**

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### **1. Understanding Why Performance Appraisals Are Conducted**

#### **Meaning & Purpose of Performance Appraisal**

- Also known as performance review, evaluation, merit rating, annual review etc.
- Identifies employees' abilities, competencies, potential, and value to the organization.
- Helps match right person to right job, based on skill sets.
- Must evaluate using both objective and subjective factors.

#### **Why Performance Appraisals Are Conducted? (Three Major Reasons)**

##### **1. Communication**

- Provides formal two-way communication between employee and manager.
- Helps clarify performance expectations & discuss issues such as:
  - Lack of training
  - Poor tools/equipment

- Conflicts in work groups
- Allows employees to share barriers to productivity.

## **2. Decision Making (Evaluating)**

- Assists in decisions related to:
  - Promotions
  - Pay raises
  - Transfers
  - Training needs
  - Terminations
- Good evaluation → good decisions → improved productivity.

## **3. Motivation (Developing)**

- Motivates employees to improve performance.
  - Leads to training, coaching, development initiatives.
  - Encourages willingness to achieve organizational goals.
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## **2. Performance Appraisal Methods**

Performance appraisal methods are divided into:

A. Traditional Methods

B. Modern Methods

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### **A. TRADITIONAL METHODS**

#### **1. Rating Scale Method**

- Most common method (scale 1 to 10).
- Rates traits such as: sincerity, attitude, honesty, dedication, regularity.
- Easy to use but suffers from central tendency bias.

#### **2. Essay Appraisal Method**

- Manager writes a free-form descriptive report on employee's performance.
- Covers attitudes, relationships, job knowledge, potential etc.
- Highly subjective & time-consuming.

#### **3. Ranking Method**

- Ranks employees from best to worst.
- Used for rewards, promotions, layoffs.
- Very simple but subjective.

#### **4. Paired Comparison Method**

- Each employee is compared with every other employee in pairs.

- Total decisions =  $N(N-1)/2$ .
- More reliable than straight ranking but not suited for large teams.

### **5. Critical Incident Method**

- Manager records effective and ineffective behaviours continuously.
- Avoids recency bias.
- Requires skill & continuous documentation.

### **6. Confidential Report System**

- Used mostly in government organizations.
- Covers: conduct, punctuality, honesty, absenteeism, supervision ability.
- Report is confidential and not shown to employee.

### **7. Checklist Method**

- Uses pre-defined statements; evaluator checks those applicable.
- Reduces bias; can be weighted.
- Requires careful planning.

### **8. Graphic Rating Scale**

- One of the oldest and most used method.
- Rates characteristics such as: teamwork, creativity, discipline, skills, knowledge.
- Easy to understand; allows performance comparison.

### **9. Forced Distribution Method**

- Employees are forced into fixed performance categories (e.g., 10% poor, 40% good, etc.).
- Eliminates leniency bias but creates unhealthy competition.

### **10. Forced Choice Method**

- Rater chooses from pre-set statements without knowing the weightage.
- Bias-free but statements may not perfectly describe the employee.

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## **B. MODERN METHODS**

### **11. Assessment Centres**

- Centralized evaluation using exercises, simulations, tests.
- Assesses: communication, planning, leadership, motivation, confidence.
- Useful for promotion decisions; expensive and time-consuming.

### **12. Behaviourally Anchored Rating Scales (BARS)**

- Combines rating scale + critical incidents.
- Uses behavioural examples (anchors) for different performance levels.
- Objective and job-specific but time-consuming and requires expertise.

### **13. Human Resource Accounting Method**

- Measures employee performance based on cost vs. contribution.
  - Cost includes salary, training, recruitment.
  - Contribution includes value added.
  - Objective but creates pressure to show measurable results.
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### **3. DIRECTING (Meaning, Importance & Principles)**

#### **Meaning**

- Directing = instructing, guiding, supervising, motivating, leading employees.
- Involves communication, leadership, motivation, and supervision.
- Ensures people work towards organizational goals.

#### **Importance of Directing**

1. Initiates Action – employees know what, how, when to do tasks.
  2. Integrates Efforts – aligns all departments toward goals.
  3. Motivates Employees through incentives.
  4. Provides Stability – creates cooperation & commitment.
  5. Helps Adapt to Change – communication & leadership reduce resistance.
  6. Ensures Effective Resource Utilization – avoids waste & duplication.
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#### **Principles of Directing**

##### **1. Maximum Individual Contribution**

- Every employee should contribute to maximum potential.

##### **2. Harmony of Objectives**

- Aligns individual goals with organizational goals.

##### **3. Unity of Command**

- One employee receives instructions from one superior.

##### **4. Appropriate Direction Technique**

- Use methods based on employee needs, capabilities, attitudes.

##### **5. Managerial Communication**

- Ensures clarity of instructions & understanding.

##### **6. Use of Informal Organisation**

- Managers must recognize and use informal groups.

##### **7. Leadership**

- Effective leadership influences employees positively.

## **8. Follow-Through**

- Monitor implementation; provide support or alterations as needed.
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### **Key Elements of Directing**

1. Leadership – guiding & influencing employees.
  2. Motivation – inspiring through financial/non-financial incentives.
  3. Communication – two-way flow of information for understanding.
  4. Supervision – overseeing work to ensure proper execution.
  5. Training – improving capability to perform tasks effectively.
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## **4. INTRODUCTION TO MOTIVATION**

### **Meaning**

- Motivation = encouraging employees to exert effort to achieve goals.
- Involves satisfying needs & providing incentives.
- Essential for high performance.

### **Three Key Elements of Motivation**

1. Intensity – how hard a person tries.
2. Direction – effort targeted towards organizational goals.
3. Persistence – how long effort is sustained.

### **Properties of Motivation**

- Individual phenomenon
  - Intentional
  - Multi-faceted
  - Helps predict behaviour
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### **Motivation Process**

1. Need → physiological/psychological deficiency
  2. Drive → behaviour triggered to satisfy need
  3. Incentive → reward that reduces drive & restores balance
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## **Intrinsic vs Extrinsic Motivation**

### **Intrinsic Motivation**

- Doing an activity for enjoyment, satisfaction, learning
- Example: Reading for fun, donating anonymously.

## **Extrinsic Motivation**

- Doing work for rewards or to avoid punishment
  - Example: Reading to avoid losing TV privileges.
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## **5. Traditional Theories of Motivation**

### **A. Maslow's Hierarchy of Needs**

1. Physiological – food, water, sleep
2. Safety – job security, health, protection
3. Social – friendship, belonging
4. Esteem – recognition, status, respect
5. Self-Actualization – growth, potential, creativity

Employees progress level by level; only unmet needs motivate.

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### **B. McGregor's Theory X and Theory Y**

#### **Theory X (Negative assumptions)**

- Employees dislike work
- Prefer direction
- Avoid responsibility
- Need control

#### **Theory Y (Positive assumptions)**

- Employees enjoy work
- Are self-motivated
- Seek responsibility
- Are creative

**Theory Y supports participative management.**

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### **C. Herzberg's Two-Factor Theory**

#### **1. Motivation Factors (Cause Satisfaction)**

- Recognition
- Achievement
- Responsibility
- Advancement
- Work itself

**These lead to job satisfaction and motivation.**

#### **2. Hygiene Factors (Prevent Dissatisfaction)**

- Company policies
- Supervision
- Working conditions
- Salary
- Job security

**These do not motivate but prevent dissatisfaction.**

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## **SUMMARY DOCUMENT – Week 11**

**Contemporary Theories of Motivation • Workplace Motivation • Self & Team Motivation • Leadership • Leadership Theories & Styles**

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### **1. CONTEMPORARY / MODERN THEORIES OF MOTIVATION**

#### **A. Goal-Setting Theory (Edwin Locke, 1960s)**

- **Goals give direction on what to do and how much effort is required.**
- **Key features:**
  - Clear, specific, difficult goals → higher motivation.
  - Goals must be realistic but challenging.
  - Feedback is essential to guide performance.
  - Participation in goal-setting increases involvement.
  - Willingness to achieve goals is the main motivator.

#### **Management by Objectives (MBO) – Peter Drucker, 1954**

**A participative process where superiors and subordinates jointly set goals.**

#### **Four Major Steps:**

1. Setting Goals – jointly defined outcomes.
2. Action Planning – activities needed to achieve goals.
3. Comparison / Evaluation – actual vs expected performance.
4. Timely Review – corrective actions to avoid deviation.

#### **Advantages**

- Outcome-oriented
- Clarifies responsibilities
- Motivates employees

#### **Limitations**

- Time-consuming
  - Goal conflicts
  - Management may distrust employee ability
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## **B. Equity Theory of Motivation**

- Employees compare their input–output ratio with others.
- Motivation increases when they perceive fairness.

### **Inputs**

- Time, effort, loyalty, skills, enthusiasm
- Can be controllable (attendance, communication) or uncontrollable (seniority, training)

### **Outcomes**

- Tangible: salary, benefits, job security
- Intangible: praise, reputation, pride

### **Referents (Comparison Groups):**

1. Self-inside – past experience in same organization
2. Self-outside – experience in other organizations
3. Other-inside – comparison with colleagues
4. Other-outside – comparison with employees in similar jobs elsewhere

### **Moderating Variables**

- Education, experience, personal expectations
  - Influence perception of fairness
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## **C. Expectancy Theory (Vroom, 1964; Porter & Lawler, 1968)**

**Behaviour is chosen based on expectations of desirable outcomes.**

### **Three Components:**

1. Expectancy ( $E \rightarrow P$ )  
“If I put in effort, I can perform well.”
2. Instrumentality ( $P \rightarrow O$ )  
“If I perform well, I will receive the reward.”
3. Valence ( $V$ )  
“I value the reward being offered.”

### **Formula:**

Motivation Force (MF) =  $E \times I \times V$

If any component is zero, motivation becomes zero.

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## **2. WORKPLACE MOTIVATION**

- **Modern workplaces reject carrot-and-stick as the primary motivator.**

- **Employees value:**
  - Challenging work
  - Participation
  - Meaningful contribution

#### **Ways to Improve Workplace Motivation:**

- Link rewards directly to performance
  - Appreciate/compliment employees
  - Be transparent to avoid rumors
  - Support employee PDP (Personal Development Plan)
  - Participate and network within teams
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### **3. SELF-MOTIVATION (Page 11 Image Included)**

**The image on page 11 lists major techniques for self-motivation.**

#### **Key Methods:**

- Communicate with positive people
  - Stay optimistic
  - Discover your interest areas
  - Self-acknowledgement
  - Monitor & record your success
  - Increase energy (exercise, sleep)
  - Support and motivate others
  - Encourage continuous learning
  - Break big goals into smaller ones
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### **4. TEAM MOTIVATION**

**(Explained with bullet points and image references on pages 11–12)**

#### **Tips for Effective Team Motivation:**

- Align team objectives with member needs
  - Provide the mission in writing
  - Give challenging but achievable tasks
  - Provide authority with responsibility
  - Offer growth opportunities
  - Leaders must promote self-actualization behaviour
  - Build positive relations & devote time to the team
  - Empower team members
  - Give continuous feedback
  - Recognize good performance
  - Remove barriers to teamwork (conflict, lethargy, low satisfaction)
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## 5. FEATURES OF A GOOD MOTIVATION SYSTEM

- Rewards must match performance
  - Must contain provisions for penalties
  - Fair and just treatment
  - Carrot and stick approach where appropriate
  - Effective performance appraisal system
  - Flexible working arrangements
  - Aligned with organizational goals
  - Job redesign where needed
  - Participative management
  - Includes both monetary & non-monetary rewards
  - Managers must first motivate themselves
  - Supportive supervision encouraged
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## 6. LEADERSHIP

### Who is a Leader?

**A leader inspires passion, sets the path, and supports the team to achieve common goals.**

### Common Leader Characteristics:

1. Purpose
  2. Motivation
  3. Vision
  4. Empathy
  5. Creativity
  6. Team Vision
  7. Continuous Improvement
- 

## 7. LEADER VS MANAGER

- *All managers are leaders, but not all leaders are managers.*
  - Leadership = influence
  - Management = planning + organizing + staffing + directing + controlling
  - Leader has followers; manager has subordinates
  - Leadership focuses on doing the right things, management on doing things right  
(Peter Drucker)
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## 8. QUALITIES OF A GOOD LEADER

1. Physical appearance
2. Vision & foresight
3. Intelligence
4. Communication skills

5. Objectivity
  6. Knowledge of work
  7. Sense of responsibility
  8. Self-confidence & willpower
  9. Humanistic approach
  10. Empathy
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## **9. LEADERSHIP THEORIES**

### **A. Transformational Leadership**

**Transformational leaders (e.g., Gandhi, Obama) inspire followers beyond self-interest.**

**Four Components (Page 21 Diagram):**

1. Intellectual Stimulation – encourages creativity
  2. Idealized Influence – role model behaviour
  3. Individualized Consideration – personal mentoring
  4. Inspirational Motivation – communicates a compelling vision
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### **B. Transactional Leadership**

**Based on rewards and punishments.**

**Includes these dimensions:**

1. Contingent Rewards – SMART goals & rewards
  2. Active Management by Exception – monitors & corrects
  3. Passive Management by Exception – intervenes only when needed
  4. Laissez-faire – hands-off, avoids decisions
- 

### **C. Trait Theory**

**Identifies core traits of leaders including:**

1. Achievement drive
  2. Leadership motivation
  3. Honesty & integrity
  4. Self-confidence
  5. Cognitive ability
  6. Business knowledge
  7. Emotional maturity
  8. Charisma, creativity, flexibility
- 

## **10. HOW TO BECOME A BETTER LEADER**

1. Listen & learn – value team strengths
2. Create shared goals – align with values

3. Seek improvement – continuous learning, mentoring, feedback
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## **11. LEADERSHIP STYLES**

**(Summarized from page 25–27)**

**Seven primary styles on a continuum:**

1. Autocratic – “Do as I say”; efficient but stifles creativity
2. Authoritative (Visionary) – “Follow me”; inspires & directs
3. Pacesetter – leader sets high standards
4. Democratic – leader seeks input
5. Coaching – develops people for the future
6. Affiliative – harmony & relationships
7. Laissez-faire – hands-off, freedom-based

**Detailed Examples:**

### **Autocratic**

Pros: fast decisions, clear roles, cohesive

Cons: stressful, no creativity, employees feel voiceless

### **Authoritative**

Pros: motivating, collaborative, encouraging innovation

Cons: high pressure on leader, may disrupt traditional cultures

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## **SUMMARY DOCUMENT – Week 12**

**Leadership Styles II • Situational Leadership • Communication • Communication Process • Types of Communication**

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### **1. LEADERSHIP STYLES (PART II)**

#### **A. Pacesetter Leadership**

##### **Meaning:**

Leader sets high performance standards and expects the team to keep up.

##### **Pros:**

- Highly self-motivated, driven to succeed
- Achieves time-critical, short-term results
- Works well with skilled, self-directed teams
- Inspires high performance & pace

##### **Cons:**

- Values results over people
  - Stressful; reduces long-term motivation
  - Team receives little feedback or development
  - Can overwhelm employees
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## **B. Democratic Leadership**

### **Meaning:**

**Most participative style—leader involves employees in decision-making (“All for one and one for all”).**

### **Pros:**

- Encourages creativity & innovation
- Strong collaboration and problem-solving
- High engagement and productivity
- Shared accountability

### **Cons:**

- Slow decision-making
  - Can cause confusion or conflict
  - Some voices dominate; others feel ignored
  - Team may expect to be included in every decision
- 

## **C. Coaching Leadership**

### **Meaning:**

Leader develops individuals through guidance, feedback, and skill-building (“What else could you try?”).

### **Pros:**

- Encourages two-way communication
- Improves skills and potential
- Clear expectations
- Builds trust and empowerment
- Supports talent development

### **Cons:**

- Time-consuming (requires 1:1 coaching)
  - Not ideal for urgent results
  - Requires high leader skill & confidence
  - If feedback is ignored, coaching fails
- 

## **D. Affiliative Leadership**

Also called Collaborative Leadership, focused on people and relationships (“People come first”).

**Pros:**

- Builds trust
- Strengthens cross-functional relationships
- Reduces stress; enhances autonomy
- Encourages diversity & emotional support

**Cons:**

- May overlook poor performance
  - Can create favoritism
  - Prioritizes harmony over results
  - Lacks direction during crises
- 

## **E. Laissez-faire Leadership**

Hands-off approach; leader grants full autonomy (“Let you do”).

**Pros:**

- High trust between leader & team
- Encourages independent thinking
- Boosts creativity & innovation
- Enables self-managed teams

**Cons:**

- Leader may become distant
  - Productivity may drop
  - Ineffective for unskilled or unmotivated teams
  - Conflict may arise due to lack of direction
- 

## **2. SITUATIONAL LEADERSHIP**

**Concept:**

No one style fits all situations; leaders must adapt according to people, environment, and circumstances.

**Key Traits of Effective Situational Leaders:**

- Insightfulness – understands employee needs
- Flexibility – shifts style as needed
- Trustworthiness – builds confidence
- Analytical ability – solves problems efficiently
- Coaching ability – helps employees grow

**Why understanding leadership styles is important?**

- Helps leaders choose the most effective approach
  - Encourages authentic leadership aligned to personality
  - Improves team buy-in, especially during change
  - Helps adjust approach in crises vs routine work
  - Feedback from team helps fine-tune style
- 

### **3. COMMUNICATION**

#### **Definition**

Communication means exchanging ideas, feelings, information between sender and receiver to create shared understanding.

#### **Includes:**

- Speaking
  - Writing
  - Gesturing
  - Signals
  - Electronic messages
- 

### **4. IMPORTANCE OF COMMUNICATION**

#### **Communication is essential because:**

- Enables social interaction
  - Supports professional collaboration
  - Directs flow of technical and business information
  - Prevents misunderstandings
  - Helps decision-making
  - Enhances organizational success
  - Aligns people with shared goals
  - Improves productivity and employee satisfaction
- 

### **5. PATTERNS OF COMMUNICATION**

#### **A. One-Way Communication**

- Sender instructs; receiver cannot respond.
- Quick but can create misunderstandings.

#### **B. Two-Way Communication**

Sender ↔ Receiver exchange messages.

#### **Includes:**

1. One-to-One – personal conversation



2. One-to-Many – one sender, many receivers
  3. Many-to-One – many senders, one receiver
- 

## **6. COMMUNICATION PROCESS**

(Explained with the diagram on page 13–14)

### **Steps:**

1. Sender – initiates message
2. Encoding – converting thought into symbols/words
3. Message – actual content
4. Channel – medium (oral, written, digital)
5. Receiver – person who gets message
6. Decoding – interpreting message
7. Noise – barriers like bias, culture, overload
8. Feedback – confirms message understanding

### **Noise Example:**

Misunderstanding due to tone, assumptions, stress, unclear words.

---

## **7. ORGANIZATIONAL COMMUNICATION**

### **A. Formal Small-Group Networks**

#### **Shown in the diagram (page 15–16):**

1. Chain – follows hierarchy; best for accuracy
  2. Wheel – centralized; best for strong leadership
  3. All-Channel – decentralized; best for satisfaction & teamwork
- 

### **B. Grapevine (Informal Network)**

- Spreads rumors & unofficial information
- Source of 75% of employee news
- Responds to ambiguity & anxiety
- Helps managers sense morale & employee concerns

#### **How to reduce negative rumor effects:**

1. Provide timely information
  2. Explain reasons behind decisions
  3. Don't punish the messenger
  4. Maintain open channels
- 

### **C. Electronic Communication**

**Includes:**

- Email – fast, cheap; but can be misinterpreted
  - Instant & Text Messaging – real-time quick chats
  - Social Networking – Facebook, LinkedIn, internal networks
  - Blogs – for organizational updates & branding
  - Video Conferencing – real-time virtual meetings
- 

## **8. DIRECTIONS OF COMMUNICATION**

### **A. Downward Communication**

**Manager → Employee:** Used for instructions, policies, feedback.

### **B. Upward Communication**

**Employee → Manager:** Used for feedback, reporting, suggestions.

### **C. Lateral Communication**

**Peer ↔ Peer:** Used for coordination and teamwork.

---

## **9. TYPES OF COMMUNICATION**

### **A. Verbal / Oral Communication**

**Includes:**

- Face-to-face conversation
- Telephone talk
- Presentations
- Public speeches
- Interviews
- Meetings

**Advantages:** fast, direct feedback

**Disadvantages:** distortion if passed through many people

---

### **B. Written Communication**

**Includes:**

- Letters – external communication
- Memos – internal daily messages
- Notices – mass announcements
- Circulars – official instructions
- Reports – detailed findings & recommendations
- Minutes – official record of meetings

---

## **C. Nonverbal Communication**

### **Includes:**

- Body language
- Facial expressions
- Gestures
- Posture
- Tone/intonation
- Physical distance

### **Key messages conveyed:**

1. Liking/interest
2. Status difference

### **Important:**

Contradictions between verbal and nonverbal cues reveal the true meaning.

### **Example:**

Checking the watch repeatedly = wants to end conversation.

---

## **SUMMARY DOCUMENT – Week 13**

**Barriers to Effective Communication • Controlling • Features • Types • Steps • Control System • Traditional Techniques**

---

### **1. BARRIERS TO EFFECTIVE COMMUNICATION**

#### **Communication may fail due to problems in:**

- Listening
- Speaking
- Environmental factors
- Language/medium issues
- Human factors (sender/receiver limitations)

#### **Key Barriers**

##### **1. Filtering**

- Sender manipulates information to appear favourable.
- Happens across hierarchy due to fear, desire to please, or status differences.
- Leads to distorted upward communication.

##### **2. Selective Perception**

- Receivers interpret messages based on their values, motivations, experiences, expectations.
- Preconceived biases alter meaning.
  - Example: assuming all female candidates prioritize family over career.

### **3. Information Overload**

- When information exceeds processing capacity.
- Leads to ignoring, forgetting, delaying, or misreading messages.

### **4. Emotions**

- Moods affect interpretation.
  - Positive mood → more accepting
  - Negative mood → more critical
- Extreme emotions hinder objective understanding.

### **5. Language**

- Words have different meanings based on age, culture, and context.
- Corporate jargon vs youth slang → misunderstanding.
- Sender assumes receiver understands terms similarly.

### **6. Silence**

- Lack of communication is often ignored but harmful.
- Leads to missing operational problems, misconduct, discrimination issues.
- Often caused by fear of negative response.

### **7. Communication Apprehension**

- Social anxiety; fear of communicating orally or in writing.
- Individuals avoid speaking, distort job tasks to reduce communication needs.

### **8. Lying**

- Frequent but hard to detect.
- No reliable verbal/nonverbal cues.
- Blurs trust and clarity in communication.

---

## **2. FUNDAMENTALS OF CONTROLLING**

### **Meaning of Controlling**

- Ensures activities occur as per plan.
- Measures performance → compares with standards → takes corrective action.
- Continuous and forward–backward linked with planning.

### **Key Points**

- Ensures efficient use of resources
- Detects deviations early

- Helps revise plans
- Supports goal achievement
- Present in all managerial levels (top, middle, lower)

## **Definitions**

- Koontz & O'Donnell: Measuring & correcting performance to ensure objectives are accomplished.
  - Henry Fayol: Ensuring activities conform to plans, instructions, and policies.
- 

## **3. FEATURES & CHARACTERISTICS OF CONTROL**

1. Management Function – essential part of all managerial roles.
  2. Present at all Levels – strategic (top), tactical (middle), operational (lower).
  3. Continuous Process – ongoing evaluations.
  4. Backward & Forward Looking – checks past performance, guides future action.
  5. Linked to Planning – standards come from plans.
  6. Results-Oriented – evaluates outcomes.
  7. Goal Achievement – ensures alignment with objectives.
- 

## **4. IMPORTANCE OF CONTROLLING**

1. Achieving Organizational Goals
  2. Judging Accuracy of Standards
  3. Efficient Resource Use
  4. Improving Employee Motivation – performance is monitored & rewarded
  5. Ensuring Order & Discipline – reduces theft, corruption, delays
  6. Facilitating Coordination – sync between departments (e.g., sales & production)
- 

## **5. TYPES OF CONTROLLING**

### **A. Feedback Control (Post-action)**

- Evaluates completed activity.
- Uses historical data.
- Helps correct future performance.

### **B. Concurrent Control (Real-time)**

- Monitors ongoing activities.
- Prevents problems from worsening.
- Immediate corrections possible.

### **C. Feedforward Control (Pre-action)**

- Predicts deviations before occurrence.
- Focus on future improvements.
- Most proactive & preventive.

### **D. Behavioral Control**

- Evaluates decisions, not results.
- Uses rewards for behaviour (e.g., Balanced Scorecard).
- Useful when many variables affect outcomes.

#### **E. Financial Control**

- Budgeting, cost control, cash flow, profits.
- Traditional indicator of performance.

#### **F. Non-Financial Control**

- Employee satisfaction
  - Customer loyalty
  - Market reputation
  - Leading indicators of future performance
- 

### **6. STEPS IN CONTROLLING**

#### **A. Establish Standards**

- Tangible standards: cost, time, output, profit
- Intangible standards: attitude, morale, behaviour

#### **B. Measure Performance**

- Compare actual vs expected
- Use reports (weekly, monthly, quarterly)

#### **C. Compare Actual with Standards**

- Identify deviations
- Apply principle of Management by Exception
  - Major deviations → focus
  - Minor deviations → ignore

#### **D. Take Corrective Action**

- Fix causes of deviation
  - Improve processes
  - Revise standards if needed
  - Follow-up to ensure solution works
- 

### **7. REQUISITES OF A GOOD CONTROL SYSTEM**

1. Suitability
2. Timely reporting
3. Forward-looking
4. Focus on key points
5. Flexibility
6. Objectivity

7. Linked to organizational structure
  8. Economical
  9. Easy to understand
  10. Suggests remedial action
- 

## **8. DESIGNING AN EFFECTIVE CONTROL SYSTEM**

### **9 Key Principles:**

1. Match controls to plans & position
  2. Ensure flexibility
  3. Ensure accuracy
  4. Use objective measures
  5. Maintain cost-benefit balance
  6. Tailor system to individual managers
  7. Focus on exceptions
  8. Fit with organization culture
  9. Ensure corrective action occurs
- 

## **9. TRADITIONAL CONTROL TECHNIQUES**

### **1. Budgetary Control**

A technique to plan, coordinate, and control operations using budgets.

#### **Benefits**

- Improves planning
- Ensures coordination
- Controls costs & revenue
- Regulates cash and resources
- Prevents inefficiency

#### **Characteristics**

- Based on a defined time period
- Numerical & realistic
- Flexible
- Requires organizational participation
- Supported by top management

#### **Budgeting Process**

1. Set budget guidelines
2. Prepare departmental budgets
3. Monitor and report variances
4. Review & take corrective action

#### **Types of Budgets**

- Expense
  - Revenue
  - Cash
  - Capital
  - Sales
  - Production
  - Purchase
  - Labour
  - Master Budget
- 

## **2. Standard Costing**

Predetermined costs used as benchmarks.

Actual cost is compared → deviations analysed → corrective action taken.

### **Advantages**

- Acts as a performance yardstick
  - Allows review of costs
  - Helps identify inefficiencies
  - Aids in pricing & planning
  - Encourages cost reduction
- 

## **SUMMARY DOCUMENT – Week 14**

**Modern Controlling Techniques • Global Management Styles (Japan, USA, China) • Practices of Prominent Business Leaders • Case Studies**

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## **1. MODERN TECHNIQUES OF CONTROLLING**

Traditional control used budgets and standard costing. Modern techniques are non-budgetary and provide deeper insights into costs, quality, and performance.

---

### **1. Break-Even Analysis (Cost–Volume–Profit Analysis)**

#### **Purpose:**

To determine the relationship between cost, volume, and profit and identify the sales level at which the firm neither earns profit nor incurs loss (Break-Even Point, BEP).

#### **Cost Types**

- Fixed Costs: rent, salaries — remain constant.
- Variable Costs: materials, wages — change with production.

#### **Example (from PDF):**



- Variable cost per unit = Rs. 15
- Fixed cost = Rs. 400
- Selling price = Rs. 17
- Contribution margin = Rs. 2 (17 – 15)

**Formula:**

Break-Even Volume = Fixed Cost / Contribution Margin  
→ 400 / 2 = 200 units

**Meaning:**

At 200 units or ₹3,400 revenue, profit = 0.

Above this volume → profit increases by contribution margin per unit.

---

## **2. PERT (Programme Evaluation and Review Technique)**

Used for non-routine, one-time projects, where time is uncertain.

**PERT supports three managerial functions:**

**1. Planning:**

- Identify major jobs/activities
- Estimate resources, cost, time

**2. Scheduling:**

- Arrange tasks sequentially
- Identify manpower, material needs at each stage

**3. Control:**

- Compare actual vs scheduled performance
- Identify deviations and take corrective actions

**Key point:** A project must be broken into activities and precedence relationships.

---

## **3. CPM (Critical Path Method)**

Developed by DuPont engineers (1950s).

**Key Features**

- Project is divided into activities and linked in sequence.
  - Each path shows a total duration.
  - Critical Path = path with maximum duration.
  - Represents minimum project completion time.
  - Any delay in critical path delays the entire project.
  - Activities on critical path get top priority.
-

#### **4. Statistical Quality Control (SQC)**

Ensures product/service quality using statistical methods.

##### **Types of Variation**

- Chance Causes:
  - Random, unavoidable (e.g., temperature changes).
- Assignable Causes:
  - Specific, identifiable, and correctable.

##### **Control Charts**

- Production is divided into subgroups.
  - Variation within group → chance causes.
  - Variation between groups → assignable causes.
  - If points lie outside control limits, process is out of control.
- 

#### **5. Management Audit**

##### **A systematic and impartial examination of:**

- Organizational structure
- Objectives & policies
- Resource usage
- Efficiency of management
- Operating methods

Can be comprehensive or focused on a specific area (e.g., production efficiency, capital budgeting).

##### **Highlights:**

- Conducted by internal team or external consultants.
  - Purpose: improve managerial effectiveness.
- 

## **2. MANAGEMENT PRACTICES OF EMERGING AND DEVELOPED COUNTRIES**

The PDF covers Japan, USA, and China.

---

### **A. Japanese Management Style**

#### **Cultural Background**

- Ancient, ritualistic, group-oriented society (“Groupism”).
- Values harmony, loyalty, mutual support.

#### **Traditional Japanese Practices**

- In-house training

- Lifetime employment
- Seniority-based pay
- Consensual decision-making
- Quality control circles
- Harmonious workplace relations
- Well-defined work standards

### **Key Characteristics (Modern View)**

- Planning: Long-term
  - Decision-making:
    - Collective for major issues
    - Slow decision, fast implementation
  - Organizing: Informal but strong culture
  - Staffing: Entry-level hiring, loyalty-based progression
  - Leading: Paternalistic
  - Controlling: Peer-based; group performance focus
- 

## **B. American Management Style**

### **Cultural Background**

- Highly diverse; individualistic; innovation-driven.
- "Melting pot" culture with global influence.

### **Management Characteristics**

- Planning: Short-term
- Decision-making: Individual responsibility; top-down; fast decisions
- Organizing: Formal, bureaucratic structure
- Staffing: Job security low; promotions based on recent performance
- Leading: Directive, professional
- Controlling: By supervisors; individual performance focus

### **Key Differences vs Japan (from Flynn table)**

- US = Individual initiative
  - Japan = Group strength
  - US = Management by objectives
  - Japan = Management by consensus
- 

## **C. Chinese Management Style**

### **A hybrid of Japanese + American styles.**

#### **Characteristics**

- Planning: Both short & long-term
- Decision-making: Committees; slow decisions & implementation

- Organizing: Bureaucratic; mixed collective & individual accountability
  - Staffing: Job security present; promotions based on ability & performance
  - Leading: Directive (parent–child approach)
  - Controlling: By group leader; moderate use of QC circles
- 

### **3. MANAGEMENT PRACTICES OF PROMINENT BUSINESS LEADERS**

#### **1. Tim Cook (Apple)**

- Democratic style
- Open-minded, collaborative, values consensus
- Ensures all stakeholders contribute ideas

#### **2. Sheryl Sandberg (Facebook/Meta)**

- Transformational leader
- Celebrates employee success
- Sets high expectations
- Promotes women's leadership globally

#### **3. Bob Iger (Disney)**

**Principles: optimism, courage, focus, integrity**

- Visionary, strategic acquisitions (Pixar, Marvel, Lucasfilm)
- Expanded Disney globally

#### **4. Reed Hastings (Netflix)**

- Shift from autocratic → participative
- Tech innovator; pioneered streaming model

#### **5. Mary Barra (General Motors)**

- Collaborative, humble, team-first approach
- Known for trust-building leadership

#### **6. Reshma Saujani (Girls Who Code)**

- Advocates risk-taking, mentorship, empowering girls in tech

#### **7. Jack Ma (Alibaba)**

- Non-micromanagement
- Empowers employees
- Encourages creativity & autonomy

#### **8. Bill Gates (Microsoft)**

- Early years: Autocratic, detail-driven
- Later years: Philanthropic, global impact

## 9. Elon Musk (Tesla, SpaceX)

- Transformational
- Big vision, high expectations, perfection-driven

## 10. Warren Buffet (Berkshire Hathaway)

- Laissez-faire (delegative)
- Gives autonomy to managers

## 11. Jeff Weiner (LinkedIn)

- Compassionate leadership
  - Builds collaborative, long-term culture
- 

## 4. CASE STUDY 1 — “Iron Lady: A Political Leader” (Lalitha)

### Lalitha’s Characteristics

- Hardworking, disciplined
- Ethical, empathetic, people-focused
- Simple & approachable
- Fulfilled promises; public-centered
- Did not groom a successor → major failure

### Leadership Style:

#### → Democratic style

- Consults people, values public interest
- Encourages participation, social equality

### Management Perspective:

- Considered management more of an art than science (creative, intuitive, practical).
- 

## 5. CASE STUDY 2 — “Managerial Approach on Employee Welfare” (IFFL)

### Nature of Problem

- Severe employee dissatisfaction due to unfair annual appraisal.
- Led to protests, complaints to labour department, conflict with HR.

### How Issue Was Resolved

- Conciliation officer reviewed evidence.
- Organization’s evidence was stronger than workers’ submissions → verdict against workers.
- One-week observation period implemented.

### Why HQ Was Involved

- Local HR failed to control the situation.
- Escalation required HQ intervention for credibility & authority.

**If Problem Persists**

- Financial losses
- Low productivity
- High turnover
- Client dissatisfaction
- Loss of organizational peace

**Importance of Appraisal**

- Motivates employees
- Identifies training needs
- Helps recruitment decisions
- Improves communication
- Ensures fairness & alignment

**Q6 – Student Must Provide:**

- Case outline
- Introduction
- Body (solutions without HQ)
- Conclusion
- Professional writing

**Q7 – Student Must Provide (as Conciliation Officer):**

- Introduction
  - Role explanation
  - Points from both sides
  - Final judgement
  - Fairness justification
  - Conclusion
-