

SUMMARY DOCUMENT – Recruitment & Selection

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

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
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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.

SUMMARY DOCUMENT – Week 10

Performance Appraisals • Traditional & Modern Methods • Directing • Motivation

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

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.

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.

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.

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.

SUMMARY DOCUMENT – Week 11

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

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

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:

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

If any component is zero, motivation becomes zero.

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
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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

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- 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
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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
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10. HOW TO BECOME A BETTER LEADER

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

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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. Pacesetting – 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

SUMMARY DOCUMENT – Week 12

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

1. LEADERSHIP STYLES (PART II)

A. Pacesetting 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
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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
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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
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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
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3. COMMUNICATION

Definition

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

Includes:

- Speaking
 - Writing
 - Gesturing
 - Signals
 - Electronic messages
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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
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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

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
-