

Ch.4: DIRECTING EMPLOYEES

Chapter objectives

Following the completion of this chapter, the reader should be able to:

- Explain the relevance of the different theories of motivation to employees
- Use practical methods to motivate workers
- Discuss the importance of communication in the management of employees
- Appreciate the importance of leadership in the management of workers.

Introduction

Directing is the influencing of people's behavior through motivation, communication, group dynamics, leadership, and discipline. The purpose of directing is to channel the behavior of employees towards the mission and the objectives of the organization. Directing helps employees to accomplish their career objectives. Managers use directing to set long-term objectives, to communicate organizational visions, and to motivate employees to achieve the visions.

Managers spend a lot of time directing the efforts of organizational members. This chapter examines the concepts of motivation, communication, and leadership because of their importance in the process of directing employees.

Motivation

Motivation is the driving force that propels human action. It explains why people do what they do and continue to do it even when they face difficulties. Therefore, it is the 'why' of human behavior. Managers should understand the concept of motivation because it affects the performance of workers. Motivated workers tend to be both effective and efficient. Workers can be self-motivated in which case they would not need external parties to push them. Self-motivation is also known as intrinsic motivation. The opposite of self-motivation is a situation where something has to be done to motivate the employee. This is called extrinsic motivation and it involves using rewards such as increasing the pay, promotion, bonuses and so on.

Theories of motivation

A theory explains a phenomenon. Theories are not facts and may not be generally or universally accepted. The approaches used to understand motivation differ widely

and numerous theories exist to explain the concept of motivation. Different theorists approach motivation from different starting points, with different ideas in mind, and from different backgrounds. No one approach is considered to be the 'ultimate' approach. Each approach contributes to the understanding of human motivation. Although numerous theories of motivation exist, the theories can be summarized under several headings, such as the instrumentality, content, and process theories. These theories are briefly explained as follows.

Instrumentality theory

Instrumentality is the belief that there is a reaction for every action. The theory is based on the strong belief that money is the strongest reason for working and that the best way of motivating workers is to pay them more money. Less income is a source of de-motivation. Therefore, the theory ties motivation to rewards and punishments. According to this theory, rewards or punishments dictate how people behave. The use of rewards increases motivation while punishments make workers less willing to work. Rewards are often referred to as 'carrots' while the punishments are referred to as 'sticks'. Therefore, this theory can be termed as the 'carrot and stick theory'.

Content (needs) theory

Content theories are based on the premise that human beings have a wide variety of needs and that whenever a need reaches the threshold level, a person strives to satisfy it. Needs range from the most basic to the very high level ones such as the need for self-actualization. The importance of a need depends on the individual's background and present situation. To a hungry person, the main focus is on food - man lives on bread alone when there is no bread! Nevertheless, there is no simple relationship between needs and goals and a need can be satisfied through different approaches.

It was Maslow (1970) who first introduced the concept of needs. Other contributors were Clayton Alderfer with the Existence, Relatedness, and Growth (ERG) needs theory, and Herzberg (1966) who developed the two factor theory of motivation. Each of these theories is explained as follows.

Maslow's hierarchy of needs theory

Abraham Harold Maslow was born April, 1908 in New York to an uneducated Jewish couple that had migrated to the US from Russia. The family of nine was actually needy based on the low income of Maslow's parents. His parents encouraged him to work hard in school. Consequently, he received his Bachelor of Arts degree in 1930, his Master of Arts degree in 1931, and his PhD in 1934, all in psychology and all from

the University of Wisconsin. Thereafter, Maslow became interested in research on human sexuality.

Abraham Harold Maslow classified the needs that people have into five major categories namely basic, safety, social, esteem and self actualization needs.

1. *Physiological needs* – these form the first and possibly the most important level of needs. Physiological needs are the needs for oxygen, food, water, warmth, shelter, and sleep. They are also known as basic needs. These needs can be met by giving employees housing allowances, having company cafeterias possibly with subsidized meals, giving employees company uniforms, providing clean drinking water to the employees, and paying them sufficient wages to afford basic necessities among other approaches.

2. *Safety needs* – they relate to the need for protection against danger or unpredictable happenings in life. Moreover, safety needs include protection from the fear of accidents, poor health, losing jobs or properties, lacking food or not having shelter. These needs can be met by providing insurance (health, accident, disability etc) to employees, having body guards or security personnel for senior managers, using surveillance cameras in organizations, engaging the services of security firms and so on.

3. *Social needs* – these are the needs for love, affection and acceptance by others especially peers. A family is a very special group. Social needs include the striving to be accepted by close members and to be an important person to them. Employees should have the freedom to join formal and informal groups. They should also have time to recreate and to socialize with other members of society.

4. *Esteem needs* – these are the needs to have a high evaluation of oneself (self-esteem) and to have the respect of others (prestige); they also include having a high reputation in the society. Esteem needs produce the strivings for power, prestige, status, and self confidence. Company cars and good job titles are examples of ways through which the self-esteem of workers can be satisfied.

5. *Self-fulfillment (self-actualization) needs* – they are the needs to develop potentialities, skills, and to become what one believes he or she is capable of becoming. Self-actualization needs are the highest level of needs. Many people rarely achieve these needs unless they have set very low goals in their lives. Among the people who self-actualize are musicians and authors. Employees have to be allowed time to pursue higher levels of education if it helps them to self-actualize. The freedom to change careers also needs to be availed to employees.

According to Maslow (1970), whenever a lower level need, such as food, is satisfied, the next higher level need (such as safety) becomes dominant and the individual's attention is turned to satisfying it. Self-actualization needs are the most difficult to satisfy. Needs recur or take different forms. Therefore, it is not possible to fully satisfy them. Employees are motivated to work when their work satisfies their needs especially the higher level needs. Routine and repetitive jobs may not go far in motivating workers. As such, managers should be able to redesign jobs to make them more challenging.

Maslow's hierarchy of needs theory is criticized for being based on a small sample size that could not be relied upon for making generalizations. Secondly, the theory assumes that human needs can be met in a hierarchical pattern. This is not true because some individuals try to satisfy their self-actualization needs before they satisfy their basic needs. In any case, people prioritize needs in different ways. Thirdly, the theory assumes that individuals can be motivated in relative isolation of needs. This is not true because the dividing line between the needs may be too thin to be drawn. Fourthly, the theory assumes that once a need is satisfied, it no longer acts as a motivator. Again this is not true because needs recur. The need for food can recur several times in a day.

In summary, Maslow's hierarchy of needs theory simply pointed the way for further research. Maslow hoped that others would take up the cause and complete what he had begun in a more rigorous fashion. True to his hopes, many people have carried out researches related to human needs and wants. For instance, Alderfer (1977) refined the idea of Maslow (1970) by categorizing needs into three levels, namely *existence*, *relatedness*, and *growth* (ERG) needs. Like Maslow (1970), Alderfer proposed that the satisfied needs become dormant unless circumstances increase their prevalence. Hierarchical needs theories are criticised on the basis that they help scholars to understand general developmental processes, from children to adults, but they are not useful for understanding the day-to-day motivation levels of adult employees.

Similarly, McClelland (1971) advocated motivation through the satisfaction of the overriding needs in individuals. He identified three overriding needs, namely the need for power (n/PWR), need for affiliation (n/AFF), and the need for achievement (n/ACH). Individuals with high needs for achievement are characterized by the tendency to set moderately difficult goals, to have a strong desire to assume personal responsibility for work activities, to be single minded in the process of accomplishing tasks, and to have a strong desire for detailed feedback on task performance. Some employees have a strong need for achievement. On the other

hand, the need for affiliation involves a strong attraction to others in order to feel reassured and accepted. Individuals with a high need for affiliation are characterized by taking interest in the feelings of others, conforming to the expectations of others especially those they value and a strong desire for reassurance and approval from others. The need for power manifests itself in the desire to influence others and to control one's environment. Individuals with a high need for power seek leadership positions and tend to influence others in fairly open and direct ways. Such individuals often seek to speak on behalf of fellow workers or to lead formal and informal groups.

Herzberg's two- factor model of motivation

Herzberg (1966) formulated this theory after investigating the sources of job satisfaction and dissatisfaction among accountants and engineers. The research informants were asked to tell their interviewers about the times they felt exceptionally good and exceptionally bad about their jobs and how long their feelings persisted. The study found that accounts of 'good' periods most frequently concerned the content of jobs, particularly achievements, recognition, advancement, responsibility, and the interest value of the work itself while accounts of 'bad' periods most frequently concerned the context of jobs, such as the company policy and administration, supervision, salary and working conditions among others.

Herzberg and his colleagues concluded that there are some factors which, if present, do not motivate but bring motivation to level zero. These are the hygiene factors and they are such that if they are absent they cause de-motivation among workers. The term hygiene is medical and implies the preventive and environmental impact of these factors. The other factors are the motivators because they cause positive motivation among the workers.

Process theories of motivation

The emphasis of process theories is the psychological processes or forces that affect motivation. These theories are also known as cognitive theories because they are concerned with they perceive and understand it. It is often argued that process theories provide a much more relevant approach to motivation compared to the very simplistic theories of Maslow (1970) and Herzberg (1966). As a matter of fact, process or cognitive theories are more useful to managers than needs-related theories because they provide more realistic guidance on motivation techniques. Process theories include the expectations (expectancy) theory, goal achievement (goal) theory, and the equity theory.

Expectancy theory

The concept of expectancy was originally contained in the Valence-Instrumentality-Expectancy (VIE) theory formulated by Vroom (1994). Valence stands for the value placed upon a particular reward by a person. Different people value different rewards. For example, some people highly value promotion while others value monetary rewards higher than other rewards. On the other hand, instrumentality is the perception of the relationship between performance and rewards. An individual who believes that higher performance leads to more rewards is likely to be motivated to improve his or her job performance. The opposite is equally true. Lastly, expectancy is the probability that certain actions or efforts lead to certain outcomes. It is actually the perceived relationship between efforts and performance. This implies that an individual who believes that more efforts lead to better outcomes is likely to be motivated to increase his or her efforts.

A salesperson may believe that by working more hours in a day he or she will make more sales and that increased sales will lead to higher income. Where the person appreciates a high income, then he or she will be motivated. In situations where one of the variables in the relationship does not hold, motivation can be negatively affected.

Goal theory

Goal theory was developed by Locke and Latham (1990) and it relates to the goals set for employees. This theory states that motivation and performance are higher when the goals set for individuals are specific, difficult but acceptable, and when there is feedback on performance. Managers should involve the employees in setting the goals as a way of gaining their co-operation during the implementation process. Difficult goals have to be agreed with employees and their achievement reinforced by guidance and advice. Finally, feedback is vital for maintaining motivation, particularly towards the achievement of higher level goals. The goals theory has some similarities with Maslow's hierarchy of needs theory. Maslow (1970) emphasized the need for the acceptance and the commitment to goals. According to Maslow, demanding goals accepted by employees lead to better performance than easier goals. Maslow also emphasized the importance of feedback in motivating employees.

Equity theory

Equity or inequity theory is the work of J Stacy Adams (1965). This theory is concerned with the perception people have about how they are being treated in their organizations vis-à-vis how other people are being treated in other organizations. To be dealt with equitably is to be treated fairly in comparison with another group of people (a reference group) or a relevant other person. Equity involves feelings and perceptions and is always comparative. An employee considers a situation to be inequitable if he or she believes that there is a better way of being treated. According to the equity theory, employees are more motivated if they are treated equitably. The theory further holds that employees are demotivated if they are treated inequitably. Nevertheless, the theory explains only one aspect of the process of motivation and job satisfaction but it is significant in terms of morale. Figure 5.2 captures the equity theory.

Figure 5.2: Equity theory

<u>Outcomes by person A</u>	=/	<u>Outcomes by person B</u>
Inputs by person A		Inputs by person B

Source: developed for this chapter.

The outcomes are what the workers get out of the work relationships and they include pay, fringe benefits, increased responsibility, and prestige. The inputs refer to what the employees put into the work relationships. They include the hours worked and the education and experience possessed by the job holders. Issues that may lead to perceptions of inequity include the amount of monetary rewards, volume of work, availability of promotion opportunities, degree of recognition, behavior of supervisors, and the tasks assigned to the employees.

Ideally, there are two forms of equity, namely distributive and procedural equity. Distributive equity is concerned with perceptions of the fairness of the rewards relative to the individual's contributions and in comparison with the contributions of other employees. Procedural equity is also known as procedural justice. It is concerned with the perceptions of the employees towards the fairness of the firm's procedures in such areas as performance appraisal, promotion, and discipline. Interpersonal factors are closely linked to feelings of procedural equity. The factors

that contribute to perceptions of procedural fairness include the adequacy in the consideration of the employee's points of views and the level of biasness towards the employees.

Other theories of motivation

Maturity-immaturity theory

Argyris researched on the relationships between people's needs and the needs of organizations. He concluded that when employees are treated like children, or as if they are immature, they tend to be appalled by that treatment and to exhibit signs of immaturity. Similarly, when they are treated like adults, they tend to be more motivated and to display signs of maturity. Further, he argued that human personality develops from immaturity to maturity in a continuum in which a number of changes take place. Table 5.1 captures the two stages and the characteristics associated with each stage.

Table 5.1 Immaturity-Maturity theory

Stage	Assumptions of employee characteristics
Immaturity	<ul style="list-style-type: none">• passive• dependent• behave in few ways• unpredictable and shallow interests• short-term orientation• plays a subordinate role• unaware of self
Maturity	<ul style="list-style-type: none">• active• independent• behave in multiple ways• deep interest• long-term orientation• equal or superior position• aware of self

Source: developed for this chapter.

Theory X and Theory Y

Douglas McGregor proposed the concept of Theory X and Theory Y and maintained that there are two fundamental approaches to managing people, themselves depending on the managers' perceptions of the employees. Some managers adopt Theory X attitudes while others adopt Theory Y attitudes.

Theory X (authoritarian management style) assumes that the average person dislikes work and will avoid it. Therefore most people must be forced, coerced, controlled, directed, and threatened with punishment in order for them to work. Further, the average person prefers to be directed, to avoid responsibility, and lacks ambition besides wanting security above everything else. All these are negative perceptions of employees.

On the other hand, Theory Y (participative management style) assumes that effort in work is as natural as play. Consequently, employees apply self-control and self-direction in the pursuit of organizational objectives. Further, the degree of commitment to organizational objectives is proportional to the size of rewards associated with the efforts. The theory assumes that employees usually accept and often seek responsibility. Moreover, the capacity to use a high degree of imagination, ingenuity and creativity in solving organizational problems is widely, not narrowly, distributed in the society. Lastly, the theory assumes that the intellectual potential of the average employee is only partly utilized. All these are positive assumptions of employees. Managers led by Theory Y assumptions are likely to be more effective in dealing with employees.

The reinforcement theory

This is attributed to Skinner, who was a psychologist, and it is also known as the behavior modification theory. The theory holds that individuals are motivated by the proper design of their work environments and by being praised for their performance. Punishment for poor performance produces negative results. Skinner proposed that positive reinforcers motivate employees more than negative reinforcers, such as punishment, do.

Practical methods of motivating workers

The theories outlined above provide a sound basis for understanding motivation. Nevertheless, Managers must devise more practical approaches of motivating workers. Some of the practical approaches that can be used to motivate employees include the following:

- Using participative or consultative management styles.
- Adopting the open door policy.
- Having managers who are available, understanding, and able to assist employees through activities such as counseling.
- Availing recreational facilities for employees.
- Setting goals collectively.
- Availing good working conditions.
- Ensuring the availability of promotion opportunities.
- Valuing employees.
- Giving employees interest-free or low interest loans.

Communication

Communication is an important subject to any manager. Managing is getting things done through others and it requires communicating with the employees. It is almost impossible to manage without communicating. Since communication is the process of passing information from one party to another, it bridges the gap between the managers and the employees.

Managers spend considerable time periods communicating. It is through communication that they receive and give ideas, reports, instructions, and explain problems. Communication assists managers to give demonstrations in the process of doing their work. Moreover, communication enables the managers to keep in touch with the organization's stakeholders. Communication is needed to establish and to disseminate the goals of the organization and to develop plans for the achievement of the goals among others. Therefore, the importance of communication cannot be overemphasized and effective managers have to spend time talking, listening, attending meetings, reading, and writing documents.

Types of communication

Communication in organizations takes many forms. However, it can be categorized on the basis of whether it is external or internal and on the direction it takes. Internal communication takes place within the organization. The flow of internal communication is multidirectional, meaning that it can be:

- a) Vertically upward – from the lower to the higher levels of management through the chain of command. Upward communication occurs when subordinates communicate with managers. This form of communication can be done through face-to-face meetings with supervisors, special organization-wide elected councils that meet with top management periodically, and 'speak up' programs where employees are given a

- telephone number to call. It can also be achieved through anonymous complaint boxes, annual employee meetings, grievance handling procedures, morale questionnaires, exit interviews, open door policies, labor unions, grapevines, ombudspersons and employee counseling programs
- b) Vertically downward – from the higher to the lower levels of the organization. Such communication can be oral or written. In the organizational setting, managers communicate to subordinates through the chain of command, announcements in notice boards, company periodicals, letters, employee handbooks, information racks, loudspeaker system, pay inserts, grapevine, annual reports, group meetings, and labour union meetings among many others.
 - c) Directly horizontal – this is communication among individuals who are at the same level in the organization irrespective of their departments.
 - d) Indirectly horizontal – this occurs among employees who are at different levels and departments in the organization.

External communication occurs between a firm and external groups, such as the customers, suppliers, government departments, and competitors among many others.

Communication can be classified on the basis whether it is formal or informal. Formal communication is also official communication. It can be written or oral. Written communication can take the form of letters, memos, manuals or minutes. Written communication is advantageous in that it provides useful references. On the other hand, oral communication provides immediate feedback and clarifies issues. Moreover, a message sender can alter a message to suit the receiver. Non-verbal communication is a form of oral communication that includes facial expressions, body gestures, eye movements, and the distance maintained between persons among many others.

Leadership

Leadership is an important aspect of management. It is the art or process of influencing people so that they willingly and enthusiastically strive towards the achievement of the organization's goals. Effective leaders do not push people. On the contrary, they cultivate the free willingness among the people to work towards the desired objectives. Good leaders use their power effectively and in responsible ways. They are also aware that human beings have different motivations at different

times and in different situations. Moreover, such leaders have the ability to inspire and to create favorable working environments.

There are several sources of power for leaders. These include the legitimate, rewards, coercion, expertise, reference and personal charisma. The legitimate source of power is associated with the leader's position in the organization. Such power can be held by the HR manager, marketing manager, managing director, or by any other manager. It is purely based on the position held and not necessarily on the ability to influence other people. Reward power stems from the perception that the leader is able to reward his or her followers. Examples of rewards are pay rises and favorable job assignments. Coercive power is the opposite of reward power. Leaders use coercive power to coerce subordinates to behave in desired ways. Coercion can be effected through such methods as demoting, firing, and ignoring certain employees. Referent power is derived from the desire to be like the power holder while expert power is the power of knowledge. Possess who possess certain qualifications, such as doctors and engineers, possess expert power. Charismatic power is based on personality, such that some people magnetically attract others to themselves. Such people included Adolf Hitler, Mahtma Gadhi, John F Kennedy, and Raila Odinga among others.

There are a number of approaches to leadership. The great man theory advocates that leaders are born and not made. Indeed, many people argue about the truth of leaders being born or created. The great man theory is closely related to the traits theory. According to the traits theory, effective leaders are associated with such traits as the ability to supervise others, being decisive, ability to manage change, possession of natural energy and enthusiasm, being assertive and confident, possessing intelligence and having the ability to conceptualize the activities of the whole organization. The functional or group approach to leadership focuses on the functions of leaders and holds that the skills needed by leaders can be learnt, developed, and perfected. Leaders perform the functions of being executives, planners, policy makers, experts, external group representatives, controllers of internal relations, givers of rewards and punishment, arbitrators and mediators, example setters, symbols of groups, substitutes for individual responsibilities, ideologists, father figures, and scapegoats to accept blame in cases of failures.

The situational approach to leadership holds that leadership is affected by the situation from which a leader emerges and in which he or she operates. It is also known as the contingency approach. Lastly, the path-goal theory holds that the main functions of leaders are to clarify and to set goals with the help of the subordinates,

to help subordinates achieve the goals, and to remove obstacles that may be encountered in the process of accomplishing the goals.

Broad classification of leadership styles

Numerous dimensions and ways of describing leadership styles exist. Leaders can be dictatorial, unitary, bureaucratic, benevolent, charismatic, consultative, and participative. The many ways of classifying leaders can be grouped under three broad categories. These are the authoritarian (autocratic), democratic, and the laissez-faire styles.

In the authoritarian or autocratic leadership styles, power is mainly held by the leader and all group interactions move towards the leader. The leader makes decisions individually and he or she determines policy, procedures for achieving the goals, work tasks and relationships, rewards, and the punishments to be used. On the other hand, the democratic leadership style occurs when the focus of power is more with the group as a whole and when there is a lot of interaction within the group. The leadership functions are shared with group members and the leader is more of a team player. The group members have a greater say in making decisions, determining policy, and implementing the systems and the procedures involved. The laissez-faire style is practiced when the manager is confident that the group members can work well on their own. The manager consciously makes a decision to pass the focus of power to them. This gives the group members the freedom of action and the manager does not interfere with their activities. However, the manager is readily available to the group when it needs assistance.

Futrell (2001) suggests that effective leaders have a strong and defined sense of purpose, are effective communicators who are persistent and hardworking, are learners who are aware of themselves, and they love their work and inspire others. The same author points that effective leaders are risk takers and establish human relationships based on trust, respect and care; they are also keen to motivate and to inspire other people to achieve their goals.

Summary

This chapter examined the concept of directing employees. Specifically, the activities that constitute the function of directing were explained. These activities include motivation, communication, and leadership.

References

Futrell, C. (2001), *Sales Management: Teamwork, Leadership, and Technology*, 6th ed., Harcourt College Publishers, Orlando, Florida.

Herzberg, F. (1966), *Work and the Nature of Man*, World Publishing Company, Cleveland, OH.

Locke, E. & Latham, G. (1990), *A Theory of Goal Setting and Task Performance*, Prentice Hall, London.

Maslow, A. (1970), *Motivation and Personality*, 2nd ed., Harper and Row, New York.

Vroom, V. (1994), *Work and Motivation*, Jossey-Bass, San Francisco.