

Direction And Supervision.

- Direction means issuance of orders and leading and motivating subordinates as they go about executing orders.
- According to Haimann, "Directing consists of the process and techniques utilized in issuing instructions and making certain that operations are carried on as originally planned."
- According to Koontz and O'Donnell, "Direction is the interpersonal aspect of managing by which subordinates are led to understand and contribute effectively and efficiently to the attainment of enterprise objectives."
- Direction is also called management-in-action.
- There are two main functions of management:-
 (i) Giving orders to employees
 (ii) Leading and motivating them

Requirements of Effective direction (CHUDEF)

① Harmony of Objectives

- An organisation functions best when the goals of its members are in complete harmony with and complementary to the goals of the organization.
- This sort of situation ideally does not exist.
- A manager should take advantage of individual motives to gain group goals, i.e. he must direct the subordinates in such a way that they perceive their personal goals to be in harmony with the enterprise objectives. (example if required)

② Unity of Command

- It implies that the subordinates should receive orders from one superior only. No other outside interference in the supervision should be permitted.
- The violation may lead to conflicting orders, divided loyalties and decreased personal responsibility for results.

③ Direct Supervision

- Every superior must maintain face-to-face direct contact with his subordinates.
- It boosts the morale of employees, increase their loyalty and provides them with immediate feed back on how well they are doing.

④ Efficient Communication (two-way street)

- Communication is an instrument of direction. It is through communication that superior gives orders, allocates jobs, explain duties and ensures performance.
- It not only enables the superior to know how his subordinates feel but also helps the subordinates to know how the company feels on a number of issues concerning them.^{TQFA}

⑤ Follow through

- Direction is not only telling subordinates what to do but also ensuring that the work is done in a desired manner.
- The manager should follow through the whole performance of his subordinates not only to keep a check on their activities but also to help them improve as an individual.

Giving Orders

- The order is a device employed by a line manager in directing his immediate subordinates to start activity, stop it and modify it.)
- Mary Parker Follett lays down the following principles which should be followed in giving orders :-
1. The attitude necessary for carrying out of an order should be prepared in advance.
(people obey order if it appeals to their habit patterns & hence the habit needs to be formed to ensure effective order execution)
 2. Face-to-face suggestions are preferable to long-distance orders. **A F D I**
 3. An order should be depersonalized and made an integral part of a given situation so that the question of someone ~~not~~ giving and someone receiving does not come up.

Chester Barnard lays down four conditions which make an order acceptable. These are:

- ① Order should be clear and complete
- ② compatible with the purpose of organisation.
- ③ Compatible with the employee's personal interest
- ④ should be operationally feasible. (C O P I F)

Written orders are appropriate when :-
(S I M D I G D)

- ① the subject is important
- ② many details are involved
- ③ there is geographical distance b/w the order giver and the recipient.

A manager may follow four types of methods to ensure compliance to his orders:

- ① Force - punish employee if he does not follow order
- result :- frustration, restriction of O/P, sabotage, militant unionism etc.
- formula :- "Do what I say or else .."

③ paternalism

- "Do what I say because I am good to you"
- employees develop a feeling of gratitude and indebtedness toward the manager which they do not like.

④ bargaining

- "You do as I say in certain respects and I do as you say in certain other respects"
- result :- ^{as in} manager's control is gradually reduced.

④ Harmony of objectives

- formula : "If we perform together each will achieve his goal"
- best formula for ensuring compliance to orders.

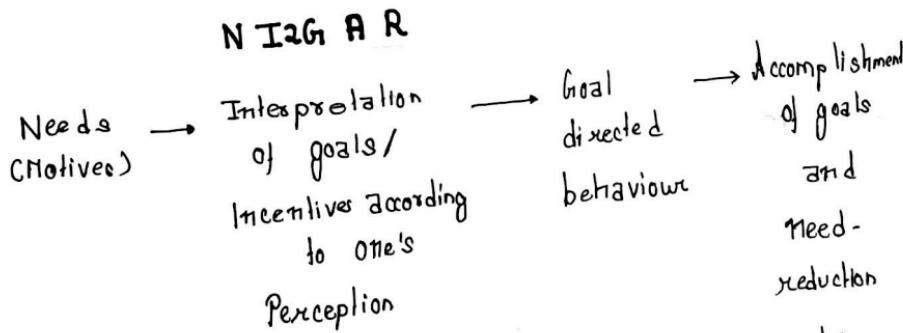
(P H B F)

→ Motivation

Motivation concerns those dynamic processes which produce a goal-directed behaviour. It refers to the steps managers can take to inspire their teams to achieve more and support their workplace experience.

It can be ~~Motivated by~~ Latin word movere, which means "to move".

→ Motivation process



- ① The process begins with the individual feeling certain needs (drives or motives)
- ② needs give an energising thrust to the individual toward certain goals or incentives which he perceives as possible satisfiers of his needs.

- ③ He works towards achieving the goals in order to satisfy those needs.
- ④ This leads to accomplishment of goals and reduction of needs.

Hence, we can say that goal which is external to the individual only provides him with the opportunity for satisfying his internal needs.

→ Nature of Motivation $\begin{matrix} 1 & 2 & 3 & 4 & 5 & 6 \\ D & U & C & E & D & C & M & M \end{matrix}$

① Individuals differ in their motives

The viewpoint that there is only one "economic drive" which determines behavior is ~~a~~ untenable. The goals to which individuals aspire differ and so do their motives.

This means that (there is no single motive that determines how all workers will react to the same job and therefore, there can be no single strategy that will keep motivation and productivity high for everyone else. The manager has to deal with human diversity.)

④ Sometimes the individual himself is unaware of his motives.

- Freud while analysing his Critical patients found that in many ways man is like an iceberg.
 - ↳ Only a small part is conscious and visible, the rest is beneath the surface.
 - This below-the-surface concept is unconscious motive.
 - The presence of this explains why man cannot always verbalize his motives to attain certain goals or even tell what his goals are.)

③ Motives Change

- Hierarchy of motives of each individual called "structure" is not fixed. It changes from time to time.
- An individual's primary motive today may not be primary tomorrow, even though he may continue to behave in the same way.

④ Motivations are expressed differently

- The ways in which motives are eventually translated into actions also vary considerably

between one individual and the other.

→ Even the same individual may express his motives differently at different times.

⑤ Motives are complex

→ It is difficult to explain and predict the behavior of workers. -

→ The introduction of an apparently favourable motivational device may not achieve the desired ends if it brings opposing motives into play.

⑥ Multiple motives make the choice of goal difficult for an individual

→ lead to motivational conflicts which make the person's choice of goal difficult ApAv3

(i) Approach-Approach conflict

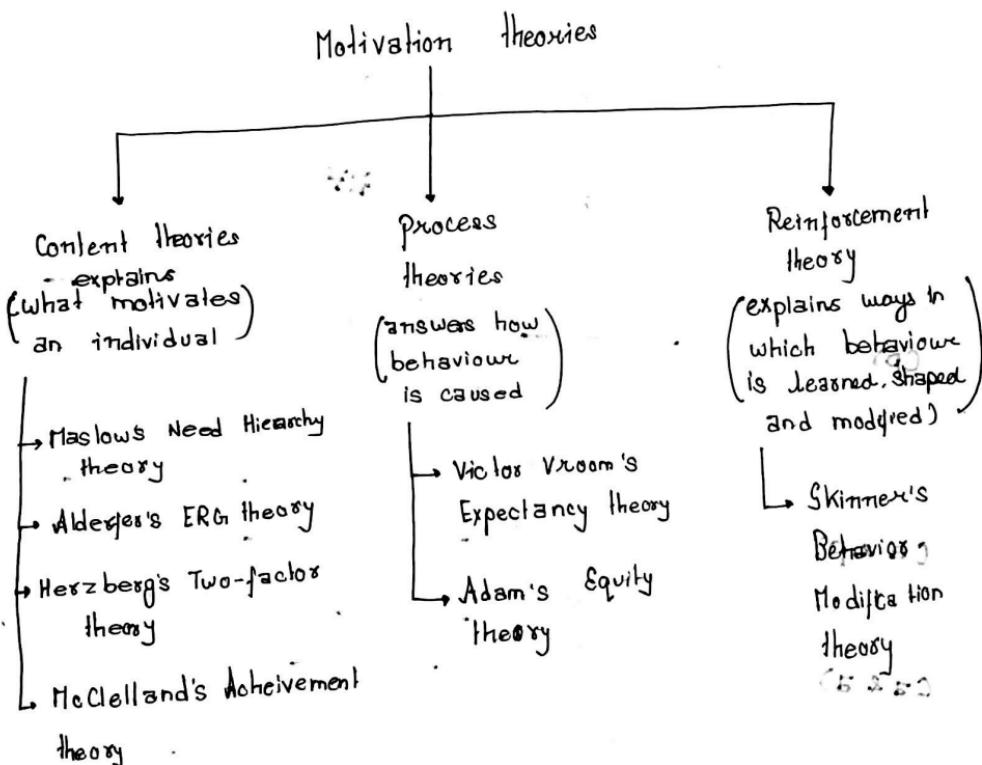
person desires to do two things which he likes equally well, but it is possible to do only one.

(ii) Avoidance-Avoidance conflict

person is forced to choose b/w two alternatives, both of which are considered equally undesirable by him.

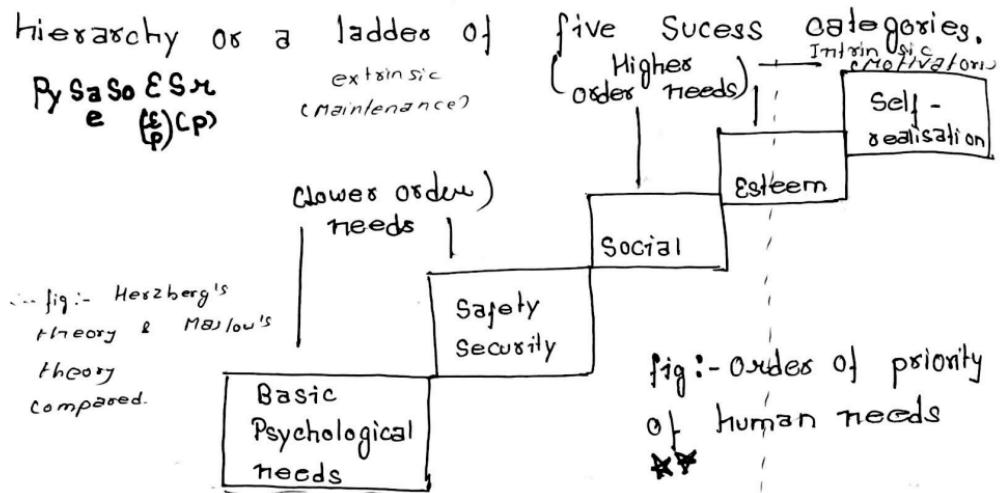
(iii) Approach-Avoidance conflict
- person is attracted to positive characteristics of his choice, but wants to avoid its negative characteristics.

Motivation Theories



→ Maslow's Need-Hierarchy Theory

According to A.H. Maslow, needs are arranged in a



- (i) **physiological** :- Those which arise out of the basic needs (P) psychology of life, for example, the need for food, water, air etc.
- (ii) **Security** :- The need to feel both economically secure and psychologically secure. (e & P)
- (iii) **Social** :- The need to associate with other people and be accepted by them. (S & A)
- (iv) **Esteem** :- The needs which relate to respect and prestige. (E & P)
- (v) **Self - fulfilment** :- The need for realising one's potential to the fullest. (CP)

Maslow's theory points out fact which is ignored in the conventional approach to management of people, namely a satisfied need is not a motivator of behaviour. A restructuring occurs whenever a need has been so well satisfied that it sinks into the background all others move up a notch to replace it.

(just Read)

The theory is criticised on two grounds :-

- (i) The hierarchy of basic needs is not fixed
- (ii) It is difficult to know ^(eggs) about the needs and motives of an individual ^(eggs) from the analysis of behavior.

→ Herzberg's Two factors theory

The two factors theory is a concept that states the factors that affect an individual's satisfaction and motivation level.

These two factors are :-

- (i) Maintenance or hygiene factors (extrinsic rewards)
- Necessary to maintain a reasonable level

of satisfaction to serve as a take-off point for motivation.

- (ii) Motivators or Satisfiers (Intrinsic rewards)
- to build high level of motivation.
 - their absence does not in themselves lead to strong dissatisfaction.

Maintenance and hygiene factors	motivators or satisfiers
<ul style="list-style-type: none">① <u>fair</u> company policy & administration F(PAS) JS② A supervisor who knows G(WCR) the work.③ A <u>good relationship</u> with one's supervisor / peers / subordinates ④⑤ <u>fair</u> salary FGJS⑦ <u>job security</u>⑧ personal life⑨ <u>Good</u> working conditions⑩ Status	<ul style="list-style-type: none">① Opportunity to accomplish something significant② Recognition for significant accomplishment③ <u>Chance</u> for advancement④ Opp. to grow & develop on the job⑤ <u>Chance</u> for increased responsibility⑥ The job itself. <p>CCAIR) OR CSS) Ji CORJI</p>

Criticism (Just read)

- ① The theory is based off a sample of 200 accountants & engineers. Critics ask whether this limited sample can justify generalising to other occupational groups with diff technology, preferences & background.
- ② The theory suffers from the following weaknesses :-
- (i) person, when satisfied, attribute the cause of their feelings to themselves while when dissatisfied, they attribute their own failures to the causes outside themselves. i.e., ego defences are at work)
 - (ii) The categorisation of factors into motivators and maintenance requires accuracy, veracity of self-report etc.
 - (iii) has a bias of being able to recall only the most recent job conditions & feelings.
- ③ Motivational and maintenance factors are not wholly unidirectional in their influence.

→ McClelland's Need for Achievement theory (AAT)

(AAP)

- McClelland found that the three important human needs are : need for achievement, need for affiliation and need for power → obtaining & exercising power & authority
desire to interact socially with ppl
- Need for Achievement is most closely associated with successful performance in the work place.
- A person who has a high need for achievement has three distinct characteristics :-
 - ① preference for setting moderately difficult but potentially achievable goals. ~~S&R AT SF~~
 - ② Doing most things themselves rather than getting them done by others (GTF)
 - ③ seeking situations where concrete feedback is possible.

limitation

- does not recognise the lower-order needs.

→ Characteristics of Human needs

Lower-order needs

① Being related to the physiology of an individual, these needs are explicit and not hidden.

It is therefore, easy to understand these needs.

② These needs are finite.

③ These needs are universal but vary in intensity from individual to individual.

④ These needs are conditioned by social practice.

⑤ Primarily satisfied through the economic behaviour.

Higher-order needs

① Being related to the mind and spirit of individual, hidden and nebulous. It is therefore, very difficult for others, even for the individual himself to understand them.

② Infinite

③ Not universal and may even exist as opposites in two persons.

④ Strongly conditioned by experience & maturity.

⑤ Through symbolic behaviour of the psychic and social content.

S	E	S
P	M	S
E	N	H
E	U	D
F	I	
U	I	N
C	S	O
S	P	E
E	M	

Organisation

Meaning

"Organisation is a social unit or human grouping deliberately structured for the purpose of attaining specific goals."

OR

"Organisation is the process of identifying and grouping of the work to be performed, defining and delegating responsibility and authority and establishing relationships for the people to work most effectively together in accomplishing their objectives."

PGS → CC → C → e
 (Plan of (activity) (jobs) (control)

Characteristics of an Organisation

Every organisation has :

2 s 2

2 M 9

- ① a purpose, goal or goals which are the task of planning
- ② a clear concept of major duties or activities required to achieve the purpose.
- ③ classification of activities into jobs.
- ④ establishment of relationships b/w these jobs in order to ensure co-ordinations

Co-ordination achieved through division of labour
and delegation of authority.

Typology of Organisation

Every organisation has certain unique combination of
the characteristics which distinguish it from all other
organisation.
(OMCS)

Blau and Scott group organisations into four categories
using the criterion of cui bono - who benefits :-

1. Organisations which benefit their owners

- All business organisations fall in this category

2. Organisations which benefit their members

- A wide class of unions, co-operatives and clubs

3. Organisations which benefit their clients

- Insurance companies, private schools etc.

4. Organisations which benefit the whole society

- Governmental departments, armed services
and police.

Process of Organising

O B G K D L D S M C M

① Consideration of Objectives

The first step is to know the objective of the enterprise. It determines the various activities which need to be performed and the type of organisation which needs to be built for this purpose.

② Deciding Organisational boundaries

The next step is to decide what to do inside and what outside the boundaries of the organisation. This means making manufacture-versus-buy choices for different goods and services and choices about strategic alliances with other alliances.

③ Grouping of Activities into departments

(The next step is to group all closely related and similar activities into department and sections.)

~~It should~~ Sometimes even (diverse) activities may be deemed closely related and grouped in one department. Similarly, closely related activities may be deemed diverse and placed in different departments.

④ Deciding which departments will be the key departments

→ Key departments are those which are rendering key activities and demand key attention.

The key departments need to be decided and should be placed directly under higher management.

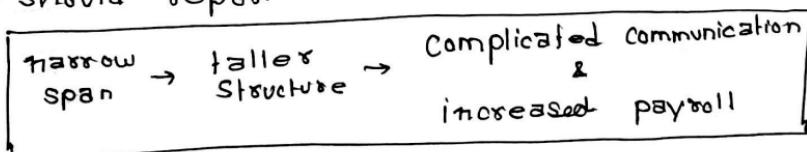
⑤ Determining level at which different decisions are to be made.

The level at which various major and minor decisions are to be made must be determined.

Each firm must decide for itself as to how much decentralisation of authority and responsibility it wants to have.)

⑥ Determining span of management

→ The next step is to determine the no. of subordinates who should report directly to each executive.



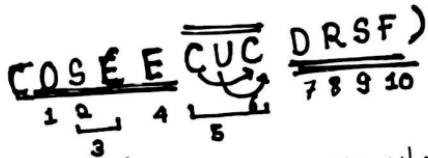
⑦ Setting up a coordination mechanism :- to coordinate the independent activities of the members of the organisation.

Principles of Organising

- (i) In order to develop a sound & efficient organisation structure, certain principles need to be followed. They are
- (ii) Objectives
 - The objectives should be clearly defined as they influence the organisation structure. Then every part of organisation should be geared to the achievement of these objectives.
- (iii) Specialisation must be promoted. The activities should be grouped acc. to functions & assigned to persons according to their specialisation.
- (iv) Span of control should be minimum for effective supervision. An executive should be asked to supervise a reasonable number of subordinates.
- (v) Management by Exception principle
 - Executive at higher level should deal with exceptionally complex problems & routine matters should be dealt with by subordinates at lower level.
- (vi) personal Ability - proper selection, placement & training of staff
- (vii) Acceptability - structure of org. should be acceptable of ppl who constitute it.

(v) Scalar principle / Chain of command

- The line of authority from top to middle to bottom must be clearly defined.



(vi) Unity of command

- Each subordinate should have only one superior whose command he has to obey.

(vii) Delegation

- Proper authority should be delegated at lower level of organisation also.

(viii) Responsibility

- The manager should be held responsible for the act of his subordinates.

(ix) Authority of each manager must be clearly defined

(x) Efficiency

- Org. structure should enable the enterprise to accomplish its objectives with least possible cost.

(xi) Simplicity - org. structure should be as simple as possible

(xii) Flexibility - org. should be adaptable to changing circumstances

(xiii) Balance - org. should have a reasonable balance overall

(xiv) Unity of direction - one obj. & one plan for a group of activities having same objective.

Managerial Control

- Control is one of the important functions of management.
- Control is checking current performance against predetermined standards contained in the plans, with a view to ensuring adequate progress and satisfactory performance.
- Controlling is determining what is being accomplished, that is, evaluating the performance and if necessary, applying corrective measures so that the performance takes place according to plans.

→ Steps in a Control process

- There are three basic steps in a control process : **(SMCA)**
- ① Establishing Standards against which results can be measured. Since entire operations cannot be observed, each organisation must develop its own list of key result areas for the purpose of control. e.g:- profitability, market position, public responsibility etc.
- (Key result area →
level of performance
↓ acceptable, flexible, emphasis
on achievement & results.)

level of performance or "par" needs to be determined to control a particular key area. It should be accepted by the individuals involved. It should be flexible in order to adapt to changing conditions. It should emphasise the achievement of results.

② Measuring and Comparing Actual results against Standards (Throughout or at the end)

The second step is to measure the result and compare it with the predetermined pars. One imp. point to be considered whether measurement and comparison should be done at various stages in the throughput process or at the end.

③ Taking corrective Action

Once the 2nd step is over and deviations are found, the next step that should be taken by the manager is to correct these deviations. Corrective actions should be taken without wasting time and the correct causes of deviation needs to be determined.

(deviation
cause
corrective action)

Need for Control System

(P D C A O)
U I T

① To Measure progress (towards goals)

- There is a close link b/w planning and controlling the organisation's operations.
- The control process continuously measures progress towards goals. A manager takes readings to see whether his dept. is on the charted and predetermined course.

② To Uncover deviations (C C C M D)

- Major events that tend to pull an organisation "off target" from its objectives are as follows :-

i) Change - integral part of any organisation's environment. e.g.: Markets shift, new product emerge etc. Control function enables managers to detect changes that are affecting the organisation's product or service & take necessary corrective action.

ii) Complexity :- Today's vast and complex org, with geographically separated plants and decentralized operations make control a necessity.

(iii) Mistakes :- Managers and their subordinates very often commit mistakes. A control system enables managers to catch these mistakes before they become serious.

iv) Delegation

The only way managers can determine if their subordinates are accomplishing the tasks that have been delegated to them is by implementing a system of control.

④ To Indicate Corrective Actions

Control are needed to indicate corrective actions. They may reveal, for example, that plans need to be redrawn or goals need to be modified.

⑤ To Transmit Corrective Action to Operation

Controls are needed to transmit corrective action to the operation while it is progressing so that the transformation system modifies its inputs or its production plan to reduce any error and keep the o/p "on course".

Benefits of Control

- ① Increases productivity
- ② Improves performance
- ③ Reduces defects and mistakes
- ④ Helps meet deadlines
- ⑤ Facilitates communication
- ⑥ Improves safety
- ⑦ Lowers cost
- ⑧ Gives the workers control over the environment

Opportunities

[Opportunities CoE]

Essentials of Effective Control System

① Suitable

- The control system should be appropriate to the nature & need of activity
- Control used in sales dept. will be different from those used in finance and personnel.

② Timely and forward looking

- The feedback system should be as short and quick as possible and info should reach superior before it is too late to head off failures.

② Objective and Comprehensible

The control system should be both objective and understandable.

Objective control specify the expected results in clear and definite terms and leave little room for argument by employees.

They should be comprehensible so that criterias for its evaluation and review can be easily established.

$$\begin{matrix} \text{CSF} & \text{E} & \text{TFL} & \text{OC} & \text{PO} & \text{AM} & \text{PRE} \\ \text{④} & \text{④} & \text{④} & \text{④} & \text{④} & \text{④} & \text{④} \end{matrix}$$

③ Flexible

Reason: to suit the needs of any change in the basic nature of the WP or the sizes, variety or type of same product or service.

Economical

The benefit derived from a control system should be more than the cost involved in implementing it.

④ prescriptive and operational

A control system in order to be effective and adequate must not only detect deviations from the standards but should also provide soln to the problems that cause deviations.

⑦ Acceptable to Organisation members.

- When standards are set unilaterally by upper level managers, there is a danger that employees will regard those standards as unseasonable or unrealistic.

⑧ Reveal Exceptions at Strategic points

Small exceptions in certain areas have greater significance than larger deviations in other areas.

⑨ Motivate ppl. to High performance

⑩ Should not lead to less attention to other aspects

⑪ Should be periodically reviewed & evaluated.