Chapter – 7
Directing

- **Directing** as a function of management, refers to the process of instructing, guiding, counselling, motivating and leading people in the organization to achieve its objectives. It does not mean only instructions but also includes supervising the employees when they are performing the job, motivating them to perform more efficiently and leading them towards the achievement of organizational goals.

Features:

1. **Directing initiates action:** The other functions of management prepare a set-up for action, but directing initiates action in the organization.
2. **Directing takes place at every level of Management:** Every manager from top executive to supervisor performs the function of directing.
3. **Directing is a continuous process** of supervision, communication, leadership and motivation. It takes place throughout the life of the organization.
4. **Directing flows from top to bottom:** It is initiated at the top level and flows to the bottom through organizational hierarchy.

Importance

1. **Initiates Action**: It helps to initiate action by the people in the organization towards attainment of desired objectives. The employees start working only when they get instructions and directions from their superiors. It is the directing function which starts actual work to convert plans into results.
2. **Integrates Employee's Efforts**: All the activities of the organization are interrelated so it is necessary to coordinate all the activities. It integrates the activities of subordinates by supervision, guidance and counselling.
3. **Means of motivation:** It motivates the subordinates to work efficiently and to contribute their maximum efforts towards the achievement of organizational goals.
4. **Facilitates change:** Employees often resist changes due to fear of adverse effects on their employment and promotion. Directing facilitates adjustment in the organization to cope with changes in the environment.
5. **Stability and balance in the organization:** Managers while performing directing function instruct, guide, supervise and inspire their subordinates in a manner that they are able to strike a balance between individual and organizational interests.
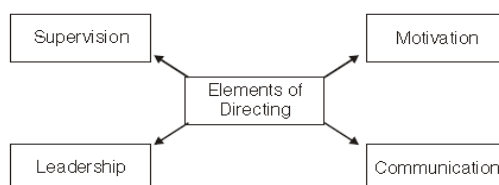
1. **Supervision:** It means observing the subordinates at work to see that they are working in accordance with plans and to help them in solving their problems. The important thing in supervision is that it involves face to face contact between superiors and subordinates. Supervisor's position is immediately above the worker.

2. Motivation: It is systematic process of generating enthusiasm among employees to dedicate their best of efforts to the enterprise.

3. Leadership: It is the quality of behaviour by which an individual guides and directs the activities of his subordinates. He leads, guides and directs the activities of his subordinates. He leads the group efforts towards attaining the objectives of the business.

4. Communication: It is the process of exchange of information between two or more persons to reach common understanding.

I. Importance of Supervision/Role of a Supervisor/Functions:

1. Link between workers and management because the supervisor explains management policies to workers and brings workers problems to the notice of the management.

2. **Ensures issuing Instructions:** To make sure that the instructions are communicated to each and every employee.

3. Facilities Control: Control means match between actual and planned output. It ensures checking on the methods in use and progress of work according to planned schedule.

4. Maintenance of discipline: The strict supervision and guidance of supervisor encourages the employees and workers to be more disciplined in the activities.
Under the guidance of superior, the workers follow a fixed or strict timetable and execute the plans in right directions.

5. Feedback: The supervisors are directly dealing with the subordinates. As a result, feedback in the form of suggestions, grievances keep coming to the management. It improves quality management decisions and revision of plans & policies.

6. Improved Motivation: A supervisor with good leadership qualities can build up high morale among workers. The relationship with the supervisor is a very good incentive to improve the motivation level of the employees while guiding the employees, the supervisors encourage the subordinates to perform to their best capacities.

7. Optimum utilization of resources: All the activities are under the observation of supervisor so less wastage and optimum utilization of resources is possible.

- **Motivation:** It is the process of stimulating people to act to their best ability to accomplish desired goals. Motivation means inspiring the employees to work with greater enthusiasm and more efficiency for the accomplishment of the objectives of the enterprise. It involves arousing needs and desires in people so as to initiate and direct their behaviour in a purposive manner.

  Features

  1. Psychological Phenomenon: Motivation is an internal feeling which means it cannot be forced on employees. The internal feeling such as need, desire, aspiration etc. influence human behaviour to behave in a particular manner.

  2. Goal Directed Behaviour: It induces people to behave in such a manner so that they can achieve their goals. A motivated person works towards the achievement of desired goals.

  3. Motivation can be either positive or Negative: Positive motivation means inspiring people to work better and appreciating a work that is well done e.g., pay increase

promotion recognition. Negative motivation means forcing people to work by threatening or punishing them. e.g., issue of memo, demotion, stopping increments etc.

4.**Complex Process:** It is a complex and difficult process. Individuals differ in their needs and wants and moreover human needs change from time to time.

5. **Continuous Process:** Human needs are unlimited and so they keep on changing continuously, satisfaction of one need gives rise to another. As soon as one need is satisfied another need arises. So managers have to continuously perform the function of motivation.

- **Maslow's Need Hierarchy-Theory of Motivation:** Maslow's Theory focuses on the needs as the basis for motivation. It classified human needs into the following five categories.
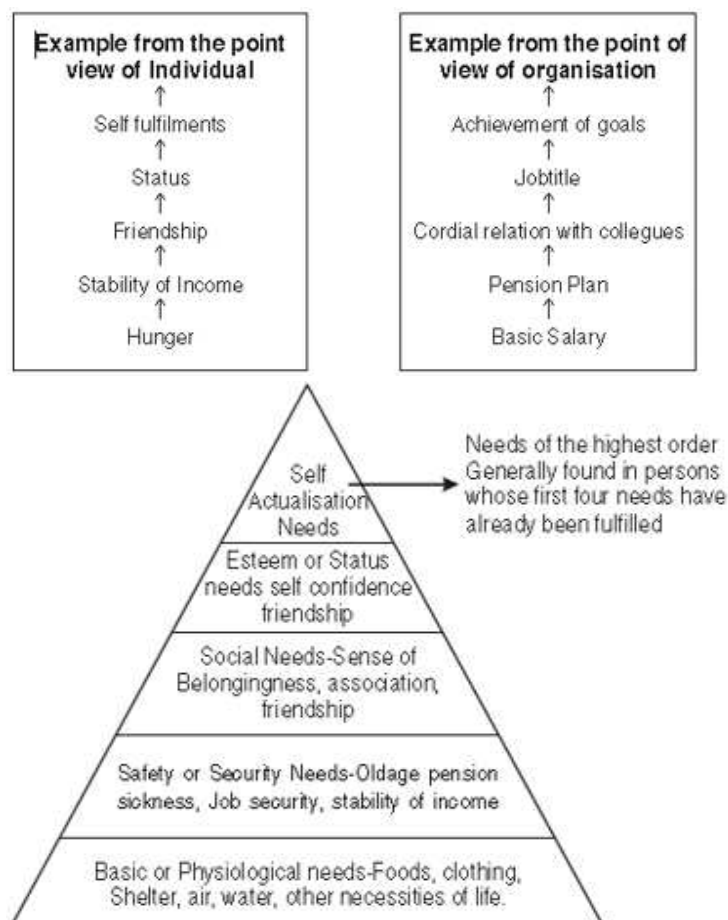 It helps managers to realize that need level of employees should be identified to provide motivation to them. It is based on the following assumptions:
  (i) People's behaviour is based on their needs
  (ii) People's needs are in hierarchical order.
  (iii) A satisfied need can no longer motivate a person.
  (iv) A person moves to the next higher level of hierarchy only when the lower need is satisfied.

Example from the point view of Individual	Example from the point of view of organisation
Self fulfilments ↑	Achievement of goals ↑
Status ↑	Jobtitle ↑
Friendship ↑	Cordial relation with collegues ↑
Stability of Income ↑	Pension Plan ↑
Hunger	Basic Salary

Self Actualisation Needs → Needs of the highest order Generally found in persons whose first four needs have already been fulfilled

Esteem or Status needs self confidence friendship

Social Needs-Sense of Belongingness, association, friendship

Safety or Security Needs-Oldage pension sickness, Job security, stability of income

Basic or Physiological needs-Foods, clothing, Shelter, air, water, other necessities of life.

- **Financial and Non-Financial Incentives:** Incentive means all measures which are used to motivate people to improve performance.

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                    ┌─────────────┐
                    │  KINDS OF   │
                    │ INCENTIVES  │
                    └─────────────┘
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Financial

(Which can be calculated in terms of money)

- Profit sharing
- Pay and Allowances
- Bonus
- Retirement Benefits
- Perquisites
- Productivity linked wages
- Co-partnership/stock option

Non-Financial

(Which can not be calculated in terms of money)

- Status
- Career Advancement
- Opportunity
- Job enrichment
- Employee Recognition Programmer
- Job security
- Employees empowerment

- **Leadership:** Leadership is the activity of influencing people to strive willingly for mutual objectives. Managers at all levels are expected to be the leaders of their subordinates. Leadership indicates the ability of an individual to maintain good interpersonal relations with followers and motivate them to contribute for achieving organizational objectives. It is a process of interaction between the leader and his followers. It helps in persuading employees to work cooperatively and enthusiastically towards common goals.

- **Styles of Leadership:**

  Leadership styles refer to a leader's behaviour. Behavioral pattern which the leader reflects in his role as a leader is often described as the style of leadership.

  A Leadership style is the result of the leader's philosophy, personality, experience and value system. It also depends upon the type of followers and the atmosphere revealing in the organization.

  Different types of leadership style are:

  1. Autocratic leadership

  2. Participative leadership/Democratic

  3. Free rein leadership/Laissez Faire

  A leader may use all styles over a period of time but one style tends to predominate as his normal way of using power.

- **Autocratic or Authoritarian Leader:** An autocratic leader gives orders and insists that they are obeyed. He determines the policies for the group without consulting them. He does not give information about future plans but simply tells the group what immediate steps they must take. Under this style, all decision making power is centralized in the leader. He does not give the subordinates any freedom to influence his decisions. It is like "bossing people around." This style should normally be used on rare occasion.
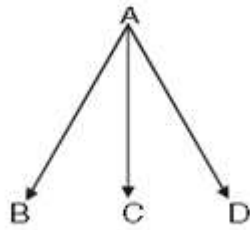
A is the leader (Boss Centered Leadership)

It is best applied to situations where there is little time for group decision making or where the leader is the most knowledgeable member of the group.

- **Democratic or Participative Leader:** A democratic leader gives order only after consulting the group and works out the policies with the acceptance of the group. He never asks people to do things without working out the long term plans on which they are working. He favours decision making by the group as shown in the diagram. This improves the attitude of the employees towards their jobs and the organization thereby increasing their morale. Using this style is of mutual benefit - it allows them (subordinates) to become part of the team and helps leaders (seniors) to make better decisions.
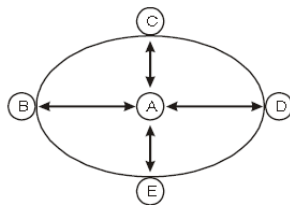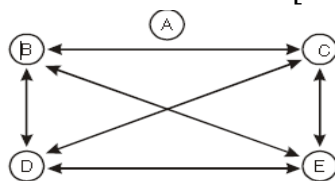

A is the leader (Group Centered-Leadership)

- **When should Participative/democratic leadership be applied:** It works best in situations where group members are skilled and eager to share their knowledge. It is also important to have plenty of time to allow people to contribute, develop a plan and then vote on the best course of action.

  This style should NOT he used when: In situations where roles are unclear or time is of the essence, democratic leadership can lead to communication failures and incomplete projects.

- **Laissez Faire or Free Rein Leader:** A free rein leader gives complete freedom to the subordinates. Such a leader avoids use of power. He depends largely upon the group to establish its own goals and work out its own problems. Group members work themselves as per their own choice and competence. The leader exists as a contact man with the outsiders to bring information and the resources which the group requires for accomplishing the job. Note: This is also known as laissez faire which means no interference in the affairs of others. [French laissez means to let/allow fair means to do].

A is the leader

(Subordinate - Centered - Leadership)

- **When should laissez faire/free rein leadership be applied This is an effective style to use when:**
  Followers are highly skilled, experienced and educated.
  Followers have pride in their work and the drive to do it successfully on their own.
  Outside experts, such as staff specialists or consultants are being used.
  Followers are trustworthy and experienced.
  This style should NOT be used when:
  Followers feel insecure at the non - availability of a leader.
  The leader cannot or will not provide regular feedback to his followers.
- **Communication:** It is transfer of information from the sender to the receiver with the information being understood by the receiver. Communication plays key role in the success of a manager. Directing abilities of manager mainly depend upon his communication skills. That is why organization always emphasizes on improving communication skills of managers as well as employees. Communication is important for the directing function because all other elements of directing become possible only when there is adequate communication.

  Elements of Communication Process

  1. Sender: Who conveys his thoughts or ideas.

  2. Message: Ideas, feelings, suggestions, order etc.

  3. Encoding: Converting the message into communication symbols such as words/pictures etc.

  4. Media: Path/Channel through which encoded message is transmitted to receiver e.g., face to face, phone call, internet etc.

  5. Decoding: Converting encoded symbols of the sender.

  6. Receiver: Who receives communication of the sender.

  7. Feedback: All those actions of receiver indicating that he has received and understood the message of the sender.

  8. Noise: Some obstruction or hindrance to communication like poor telephone connection, inattentive receiver.
- **Importance of Communication**

  1. Facilitates Coordination: between interrelated departments and sections thus creating a unity of purpose and action.

  2. Provides data necessary for decision makings: When information is effectively and efficiently communicated to management.

  3. Increases managerial efficiency: Every individual in the organization is assigned a job or task. The employee must know clearly who has to report to whom, what part of total job they are expected to perform and what are their decisions. The clarity comes only with smooth flow of communication which keeps the organization at work with efficiency.

  4. Promotes cooperation and Industrial Peace: The two-way communication promotes cooperation and mutual understanding between the management and workers and brings peace in the organization.

  5. Establishes effective leadership: Effective communication helps to influence subordinates. while influencing, a leader should possess good communication skills.

If there is two-way information flow between the superior and subordinates, then there will be positive reaction of employees.

- **Formal Communication:** refers to official communication which takes place following the chain of command. Classification of formal communication-

    1. Vertical Communication: Flows vertically i.e., upwards or downwards through formal channels.

    (i) Downward Communication: Higher to lower level like plans, policies, rules etc.

    (ii) Upward Communication: Subordinate to superior like suggestions, grievances, reports etc.

    2. Horizontal/lateral Communication: between persons holding positions at the same level of the organization e.g., production manager may contact marketing manager about product design, quality etc.

Communication Networks of a Formal Communication
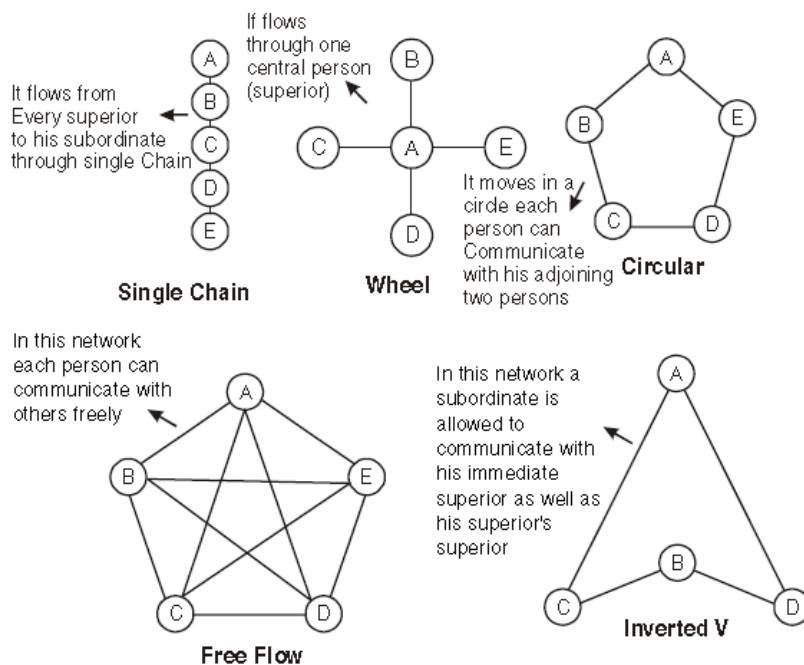
- **Informal Communication**: Communication that takes place without following the formal lines of communication is said to be informal communication. There is no fixed direction or path for the flow of information.

- **Grapevine or Informal Communication Networks:**

    1. Single Strand: Each person communicates with the other in a sequence.

    2 Gossip: Each person communicates with all on non-selective basis. A person shares the information with many other people in his social group.

    3. Probability: The individual communicates randomly with other individuals.

    4. Cluster: The individual communicates with only those people whom he trusts.

1
Single Strand

2
Gossip

3
Probability

4
Cluster
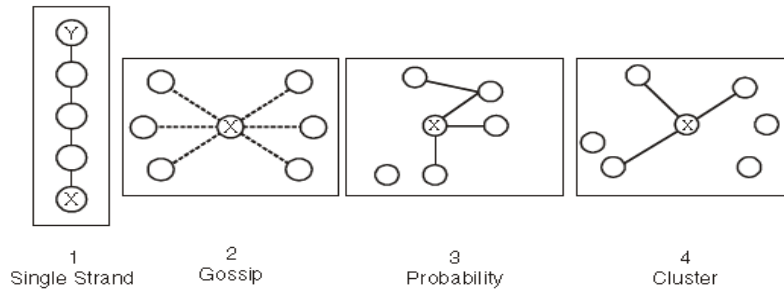
Difference between Formal and Informal Communication

Basis	Formal Communication	Informal communication
1. Meaning	Follows the official chain of command.	Between individuals and groups are not officially recognized.
2. Channel	Through a definite path.	No definite path.
3. Speed	Slow: because all information has to pass through an established scalar chain.	Very fast-Cuts across all the official channels.
4. Nature	More rigid and cannot be modified.	Flexible and varies from individual to individual.
5. Expression	It is mostly expressed in the written form.	It mostly tends to be oral.

Barriers to Effective Communication

Semantic Barriers: Concerned with problems and obstructions in the process of encoding or decoding of message into words or impressions. Semantic barriers are as follows:

1. Badly expressed message: Sometimes intended meaning may not be conveyed.

2. Words with different meanings confuses the receiver.

3. Faulty translations may transfer wrong messages.

4. Unclarified assumption: Different interpretations may result in confusion.

5. Technical Jargon: Technical words may not be understood by the workers.

Psychological/Emotional barriers

1. Premature evaluation- judgement before listening leads to misunderstanding.

2. Lack of attention/poor listening may disappoint the employees.

3. Loss by transmission and poor retention: When oral communication passes through various levels it destroys the structure of the message or leads to transmission of inaccurate message.

4. Distrust: If the parties do not believe each other. They cannot understand each other's message in its original sense.

- **Organizational Barriers**
  Factors related to organization structure:
  1. If organizational policy does not support free flow of information it creates problem.

2. Rules and regulations: Rigid rules and regulations may lead to red tapism and delay of action.

3. Status conscious managers may not allow subordinates to express their feelings freely.

4. Complexity in organization structure results in delay and distortion.

Personal Barriers: of superiors and subordinates.

1. Fear of challenge to authority may withhold or suppress a particular communication.

2. Lack of confidence of superior in his subordinates.

3. Unwillingness to communicate. e.g., fear of punishment/demotion.

4. Lack of proper incentives stops the subordinates to offer useful suggestions.

Improving Communication Effectiveness

1. Clarify the ideas before communication.

2. Communicate according to the needs of receiver.

3. Consult others before communicating.

4. Be aware of language, tone and content of message.

5. Ensure proper feedback. Feedback provides opportunity for suggestions and criticism.

6. Follow up communication helps to remove hurdles, misunderstanding of information given by managers to subordination.

7. Be a good listener.