INDIAN SCHOOL MUSCAT
Senior Section
Department of Commerce and Humanities

Class : 12	SOLVED SUPPORT MATERIAL	Reference: KVS Question Bank/ NCERT
	CHAPTER :7 : DIRECTING	
Date of issue ---------2017	BUSINESS STUDIES (054)	Date of submission --------2017

1   **Define Directing.**
- In the ordinary sense, directing means **giving instructions and guiding people** in doing work.
- In the context of management of an organisation, directing refers to the process of **instructing, guiding, counselling, motivating and leading people** in the organisation to achieve its objectives.

2   **Explain the characteristics of directing.**
- **Directing initiates action:**
  Directing is a key managerial function. A manager has to perform this function along with planning, organising, staffing and controlling while discharging his duties in the organisation.
- **Directing takes place at every level of management:**
  Every manager, from top executive to supervisor performs the function of directing.
  The directing takes place wherever superior – subordinate relations exist.
- **Directing is a continuous process:**
  Directing is a continuous activity. It takes place throughout the life of the organisation irrespective of people occupying managerial positions.
- **Directing flows from top to bottom:**
  Directing is first initiated at top level and flows to the bottom through organisational hierarchy.

3   **Explain the importance of Directing.**
- **Directing helps to initiate action** by people in the organisation towards attainment of desired objectives. For example, if a supervisor guides his subordinates and clarifies their doubts in performing a task, it will help the worker to achieve work targets given to him.
- **Directing integrates employees-efforts in the organisation** in such a way that every individual effort contributes to the organisational performance. Thus, it ensures that the individuals work for organisational goals.
- **Directing guides employees to fully realise their potential** and capabilities by motivating and providing effective leadership.
- **Directing facilitates introduction of needed changes in the organisation**. Generally, people have a tendency to resist changes in the organisation. Effective directing through motivation, communication and leadership helps to reduce such resistance and develop required cooperation in introducing changes in the organisation.
- **Effective directing helps to bring stability and balance in the organisation** since it

fosters cooperation and commitment among the people and helps to achieve balance among various groups, activities and the departments.

4 **Explain the principles of Directing.**
   - **Maximum individual contribution:** This principle emphasises that directing techniques must help every individual in the organisation to contribute to his maximum potential for achievement of organisational objectives. It should bring out untapped energies of employees for the efficiency of organisation.
   - **Harmony of objectives:** Very often, we find that individual objectives of employees and the organisational objectives as understood are conflicting to each other.
      But, good directing should provide harmony by convincing that employee rewards and work efficiency are complimentary to each other.
   - **Unity of Command:** This principle insists that a person in the organisation should receive instructions from one superior only. If instructions are received from more than one, it creates confusion, conflict and disorder in the organisation.
   - **Appropriateness of direction technique:** According to this principle, appropriate motivational and leadership technique should be used while directing the people based on subordinate needs, capabilities, attitudes and other situational variables.
   - **Managerial communication:** Effective managerial communication across all the levels in the organisation makes direction effective. Directing should convey clear instructions to create total understanding to subordinates.
   - **Use of informal organisation:** A manager should realise that informal groups or organisations exist within every formal organi-sation. He should spot and make use of such organisations for effective directing.
   - **Leadership:** While directing the subordinates, managers should exercise good leadership as it can influence the subordinates positively without causing dissatisfaction among them.
   - **Follow through:** Mere giving of an order is not sufficient. Managers should follow it up by reviewing continuously whether orders are being implemented accordingly or any problems are being encountered. If necessary, suitable modifications should be made in the directions.

5 **State the elements of directing**
   - Supervision
   - Motivation
   - Leadership
   - Communication

6 Define supervision.
   It means **overseeing** what is being done by subordinates and giving instructions to ensure optimum utilisation of resources and achievement of work targets.

7 **Explain the importance of supervision.**
   - Supervisor maintains **day-to-day contact** and maintains **friendly relations** with workers. A good supervisor acts as a guide, friend and philosopher to the workers.
   - Supervisor **acts as a link between workers and management**. He conveys management ideas to the workers on one hand and workers problems to the management on the other. This role played by supervisor helps to avoid misunderstandings and conflicts between management and workers/employees.
   - Supervisor plays a key role in **maintaining group unity among workers** placed under his control. He sorts out internal differences.
   - Supervisor **ensures performance of work according to the goals**. He takes responsibility for task achievement and motivates his workers effectively.
   - Supervisor provides **good on-the-job training to the workers and employees.** A skilled

and knowledgeable supervisor can build efficient team of workers.

- Supervisory leadership plays a key role in **influencing the workers in the organisation.** A supervisor with good leadership qualities can build up high morale among workers.
- A good supervisor **analyses the work performed and gives feedback** to the workers. He suggests ways and means of developing work skills.

8 **Define Motivation.**
- Motivation process of **stimulating people** to action to accomplish desired goals.

9 **What is motive?**
- Motive means the process of making subordinates to act in a desired manner to achieve certain organisational goals.

10 **What is motivator?**
- Motivator is the technique used to motivate people in an organization. Managers use diverse motivators like pay, bonus, promotion, recognition, praise, responsibility etc.,

11 **Explain the features of Motivation.**
- Motivation is an **internal feeling**. The urge, drives, desires, aspirations, striving or needs of human being, which are internal, influence human behaviour.
- Motivation produces **goal directed behaviour**.
- Motivation can be either **positive or negative**. Positive motivation provides positive rewards like increase in pay, promotion, recognition etc., Negative motivation uses negative means like punishment, stopping increments, threatening etc. which also may induce a person to act in the desired way.
- Motivation is a **complex process** as the individuals are heterogeneous in their expectations, perceptions and reactions.

12 **Explain the Motivation process with an example.**

Motivation Process: Motivation process is based on human needs. A simple model to explain motivation process is presented below.The following example explains the process of satisfaction of human needs.Ramu is very hungry since he did not have breakfast in the morning. By1.00 P.M., he became restless and started walking on the road in search of a hotel for snacks or meals. After walking for 2 kms, he could find a hotel where roti and daal was available for Rs. 10. Since he had only Rs. 15 in his pocket, he paid Rs. 10 and had a satisfying meal. After taking a meal, he felt that he had regained energy.An unsatisfied need of an individual creates tension which stimulates his or her drives. These drives generate a search behaviour to satisfy such need. If such need is satisfied, the Individual is relieved of tension.

13 **Explain the importance of motivation.**
- Motivation helps to **improve performance levels of employees as well as the organisation.** Since proper motivation satisfies the needs of employees, they in turn devote all their energies for optimum performance in their work.
- Motivation **helps to change negative or indifferent attitudes of employee to positive attitudes** so as to achieve organisational goals. For example, a worker may have indifferent or negative attitude towards his work, if he is not rewarded properly. If suitable rewards are given and supervisor gives positive encouragement.
- Motivation **helps to reduce employee turnover** and thereby saves the cost of new recruitment and training. The main reason for high rate of employee turnover is lack of motivation.
- Motivation **helps to reduce absenteeism in the organisation**. Some important reasons for absenteeism are–bad working conditions, inadequate rewards, lack of recognition, poor relations with supervisors and colleagues etc.
- Motivation **helps managers to introduce changes smoothly** without much resistance from people. Normally, for any change introduced in the organisation, there may be

resistance for changes. If manager can convince employees that proposed changes will bring additional rewards to employees, they may readily accept the change.

14 **Explain Maslow's Need Hierarchy Theory of Motivation.**
Abraham Maslow, a well-known Psychologist in a classic paper published in 1943, outlined the elements of an overall theory of motivation.His theory was based on human needs. He felt that within every human being, there exists a hierarchy of five needs. These are:

- **Basic Physiological Needs**: These needs are most basic in the hierarchy and corresponds to primary needs. Hunger, thirst, shelter, sleep and sex are some examples of these needs. **In the organisational context, basic salary helps to satisfy these needs.**
- **(ii) Safety/Security Needs:** These needs provide security and protection from physical and emotional harm. **Examples: job security, stability of income, Pension plans etc.,**
- **(iii) Affiliation/Belonging Needs:** These needs refer to affection, sense of belongingness, acceptance and friendship. **Eg. Cordial relations with colleagues.**
- **(iv) Esteem Needs:** These include factors such as self-respect, autonomy status, recognition and attention. **Eg. Job title.**
- **Self Actualisation Needs:** It is the highest level of need in the hierarchy. It refers to the drive to become what one is capable of becoming. These needs include growth, self-fulfillment and achievement of goals. **Eg. Achievement of goals.**

Maslow's theory is based on the following assumptions:

- People's behaviour is based on their needs. Satisfaction of such needs influences their behaviour.
- People's needs are in hierarchical order, starting from basic needs to other higher level needs.
- A satisfied need can no longer motivate a person; only next higher level need can motivate him. A person moves to the next higher level of the hierarchy only when the lower need is satisfied.

15 **Define incentives.**
Incentive means all measures which are used to motivate people to improve performance.

16 **State and explain the financial and non financial incentives.**
Financial Incentives: Financial incentives refer to incentives which are in direct monetary form or measurable in monetary term and serve to motivate people for better performance.

(i) **Pay and allowances**: For every employee, salary is the basic monetary incentive. It includes basic pay, dearness allowance and other allowances. Salary system consists of regular increments in the pay every year and enhancement of allowances from time-to-time.

ii) **Productivity linked wage incentives**: Several wage incentive plans aims at linking payment of wages to increase in productivity at individual or group level.

(iii) **Bonus**: Bonus is an incentive offered over and above the wages/salary to the employees.

(iv) **Profit Sharing**: Profit sharing is meant to provide a share to employees in the profits of the organisation. This serves to motivate the employees to improve their performance and contribute to increase in profits.

(v) **Co-partnership/ Stock option**: Under these incentive schemes, employees are offered company shares at a set price which is lower than market price. The allotment of shares creates a feeling of ownership to the employees and makes them to contribute for the growth of the organisation.

vi) **Retirement Benefits**: Several retirement benefits such as provident fund, pension, and gratuity provide financial security to employees after their retirement.

v) **Perquisites**: In many companies perquisites and fringe benefits are offered such as car allowance, housing, medical aid, and education to the children etc., over and above the salary.

Non-Financial Incentives: Non-financial incentives are those incentives which does not involve monetary funds. Some of the important non-financial incentives are

(i) **Status**: In the organisational context, status means ranking of positions in the organisation.The authority, responsibility, rewards, recognition, perquisites and prestige of job indicate the status given to a person holding a managerial position.

(ii) **Organisational Climate**: Organisational climate indicates the characteristics which describe an organisation and distinguish one organisation from the other. s regarding
these aspects, it helps to develop better organisational climate.

(iii) **Career Advancement Opportunity**: Every individual wants to grow to the higher level in the organisation. Managers should provide opportunity to employees to improve their skills
and be promoted to the higher level jobs.

(iv) **Job Enrichment**: Job enrichment is concerned with designing jobs that include greater variety of work content, require higher level of knowledge and skill; give workers more autonomy and responsibility; and provide the opportunity for personal growth and a meaningful work experience.

v) **Employee Recognition programmes**: Most people have a need for evaluation of their work and due recognition. They feel that what they do should be recognised by others concerned. Recognition means acknowledgment with a show of appreciation.

Some examples of employee recognition are:

a) Congratulating the employee for good performance.

b) Displaying on the notice board or in the company news letter about the achievement of employee.

c) Installing award or certificate for best performance.

d) Distributing mementos, complimentary like T-shirts in recognition of employee services.

e) Rewarding an employee for giving valuable suggestions.

(vi) **Job security**: Employees want their job to be secure. They want certain stability about future income and work so that they do not feel worried on these aspects and work with greater zeal.However, there is one negative aspect of job security. When people feel that they are not likely to lose their jobs, they may become complacent.

(vii) **Employee participation**: It means involving employees in decision making of the issues related to them. In many companies, these programmes are in practice in the form of joint management committees, work committees, canteen committees etc.

(viii) **Employee Empowerment:** Empowerment means giving more autonomy and powers to subordinates. Empowerment makes people feel that their jobs are important.

17 **Define leadership.**

Leadership is the process of **influencing the behaviour** of people by making them strive voluntarily towards achievement of organisational goals.

18 **Explain the features of leadership.**

(i) Leadership indicates **ability of an individual** to influence others.

(ii) Leadership tries to **bring change in the behaviour** of others.

(iii) Leadership indicates **interpersonal relations** between leaders and followers.

(iv) Leadership is exercised to **achieve common goals** of the organisation.

(v) Leadership is a **continuous** process.

19 **Explain the importance of leadership.**

(i) Leadership **influences the behaviour** of people and makes them to positively contribute their energies for the benefit of the organisation.

(ii) A leader **maintains personal relations** and helps followers in fulfilling their needs. He provides needed confidence, support and encouragement and thereby creates congenial work environment.

(iii) Leader plays a **key role in introducing required changes** in the organisation. He persuades,

clarifies and inspires people to accept changes whole-heartedly.

(iv) A leader **handles conflicts effectively** and does not allow adverse effects resulting from the conflicts.

(v) Leader **provides training to their subordinates**. A good leader always builds up his successor and helps in smooth succession process.

20 **State the characteristics of a good leader.**

(i) **Physical features**: Physical features like height, weight, health, appearance determine the physical personality of an individual. It is believed that good physical features attract people.

(ii) **Knowledge:** A good leader should have required knowledge and competence. Only such person can instruct subordinates correctly and influence them.

(iii) **Integrity:** A leader should posses high level of integrity and honesty. He should be a role model to others regarding the ethics and values.

(iv) **Initiative:** A leader should have courage and initiative. He should not wait for opportunities come to his way, rather he should grab the opportunity and use it to the advantage of organisation.

(v) **Communication skills:** A leader should be a good communicator. He should have the capacity to clearly explain his ideas and make the people to understand his ideas. He should be not only good speaker but a good listener, teacher, counsellor and persuader.

(vi) **Motivation skills:** A leader should be an effective motivator. He should understand the needs of people and motivate them through satisfying their needs.

(vii) **Self Confidence:** A leader should have high level of self confidence. He should not loose his confidence even in most difficult times.

21 **Define communication.**

Communication is **transfer of information** from the sender to the receiver with the information being understood by the receiver.

22 **State the elements of communication.**

The elements involved in communication process are explained below:

(i) **Sender**: Sender means person who conveys his thoughts or ideas to the receiver. The sender represents source of communication.

(ii) **Message**: It is the content of ideas, feelings, suggestions, order etc., intended to be communicated.

(iii) **Encoding**: It is the process of converting the message into communication symbols such as words, pictures, gestures etc.,

(iv) **Media**: It is the path though which encoded message is transmitted to receiver. The channel may be in written form, face to face, phone call, internet etc.,

(v) **Decoding**: It is the process of converting encoded symbols of the sender.

(vi) **Receiver**: The person who receives communication of the sender.

(vii) **Feedback**: It includes all those actions of receiver indicating that he has received and understood message of sender.

(viii) **Noise**: Noise means some obstruction or hindrance to communication. This hindrance may be caused to sender, message or receiver. Some examples of noise are:

(a) Ambiguous symbols that lead to faulty encoding.

(b) A poor telephone connection.

(c) An inattentive receiver.

(d) Faulty decoding (attaching wrong meanings to message).

(e) Prejudices obstructing the poor understanding of message.

(f) Gestures and postures that may distort the message.

23 **Explain the importance of communication.**

(i) Acts as basis of coordination: Communication acts as basis of coordination. It provides

coordination among departments, activities and persons in the organisation.

(ii) Helps in smooth working of an enterprise: Communication makes possible for the smooth and unrestricted working of the enterprise. All organisational interactions depend on communications.

(iii) Acts as basis of decision making: Communication provides needed information for decision making. In its absence, it may not be possible for the managers to take any meaningful decision.

(iv) Increases managerial efficiency: Communication is essential for quick and effective performance of managerial functions. The management conveys the goals and targets, issues instructions, allocates jobs and responsibilities and looks after the performance
of subordinates.

(v) Promotes cooperation and industrial peace: Efficient operation is the aim of all prudent management. It may be possible only when there is industrial peace in the factory and mutual cooperation between management and workers.

(vi) Establishes effective leadership: Communication is the basis of leadership. Effective communication helps to influence subordinates. While influencing people, leader should possess good communication skills.

(vii) Boosts morale and provides motivation: An efficient system of communication enables management to motivate, influene and satisfy the subordinates.

24 **Explain the types of Communication.**

Formal communication:
- flows through official channels designed in the organisation chart.
- This communication may take place between a superior and subordinate, a subordinate and superior or among same cadre employees or managers.
- The communications may be oral or written but generally recorded and filed in the office.
- Formal communication may be further classified as – Vertical and Horizontal.

Vertical communication flows vertically i.e., upwards or downwards through formal channels. Upward communications refer to flow of communication from subordinate to superior whereas downward communication indicates communication from a superior to subordinate. Free Flow ,Inverted V ,Wheel ,Chain ,Circular.

Horizontal or lateral communication takes place between one division and another.

(i)   Single chain: This network exists between a supervisor and his subordinates.

(ii)   Wheel: In wheel network, all subordinates under one superior communicate through him only as he acts as a hub of the wheel.

(iii)   Circular: In circular network, the communication moves in a circle. Each person can communicate with his adjoining two persons. (iv) Free flow: In this network, each person can communicate with others freely. The flow of communication is fast in this network.

(iv)   Inverted V: In this network, a subordinate is allowed to communicate with his immediate superior as well as his superiors superior.

Informal Communication

Communication that takes place without following the formal lines of communication is said to be informal communication.

Information system of communication is generally referred to as the 'grapevine' because it spreads throughout the organisation with its branches going out in all directions in utter disregard to the levels of authority.

Grapevine Network

Grapevine communication may follow different types of network.

In single strand network, each person communicates to the other in sequence.

In gossip network, each person communicates with all on non-selective basis.

In probability network, the individual communicates randomly with other individual.

In cluster, the individual communicates with only those people whom he trusts of these

four types of networks. Cluster is the most popular in organisations.

25 **Explain the Barriers to Communication.**
The barriers to communication in the organisations can be broadly grouped as: semantic barriers, psychological barriers, organisational barriers, and personal barriers. These are briefly discussed below:

Semantic barriers: Semantics is the branch of linguistics dealing with the meaning of words and sentences. Such barriers result on account of use of wrong words, faulty translations, different interpretations etc.

(i) Badly expressed message: Some times intended meaning may not be conveyed by a manager to his subordinates. These badly expressed messages may be an account of inadequate vocabulary, usage of wrong words, omission of needed words etc.

(ii) Symbols with different meanings: A word may have several meanings. Receiver has to perceive one such meaning for the word used by communicator. For example, consider these three sentences where the work 'value' is used:

(a) What is the value of this ring?
(b) I value our friendship.
(c) What is the value of learning computer skills?

(iii) Faulty translations: Sometimes the communications originally drafted in one language (e.g., English) need to be translated to the language understandable to workers (e.g., Hindi). (iv) Unclarified assumptions: Some communications may have certain assumptions which are subject to different interpretations. For example, a boss may instruct his subordinate, "Take care of our guest". Boss may mean that subordinate should take care of transport, food, accommodation of the guest until he leaves the place.

(v) Technical jargon: It is usually found that specialists use technical jargon while explaining to persons who are not specialists in the concerned field. Therefore, they may not understand the actual meaning of many such words.

(vi) Body language and gesture decoding: Every movement of body communicates some meaning. The body movement and gestures of communicator matters so much in conveying the message.

Psychological barriers: Emotional or psychological factors acts as barriers to communicators. For example, a worried person cannot communicate properly and an angry receiver cannot understand the real meaning of message. Some of the psychological barriers are:

(i) Premature evaluation: Some times people evaluate the meaning of message before the sender completes his message. Such premature evaluation may be due to pre-conceived notions or prejudices against the communication.

(ii) Lack of attention: The pre-occupied mind of receiver and the resultant non-listening of message acts as a major psychological barrier. For instance, an employee explains about his problems to the boss who is pre-occupied with an important file before him. The boss does not grasp the message and the employee is disappointed.

(iii) Loss by transmission and poor retention: When communication passes through various levels, successive transmissions of the message results in loss of, or transmission of inaccurate information.Poor retention is another problem. Usually people cannot retain the information for a long time if they are inattentive or not interested.

(iv) Distrust: Distrust between communicator and communicate acts as a barrier. If the parties do not believe each other, they can not understand each others message in its original sense.

Organisational barriers: The factors related to organisation structure, authority relationships, rules and regulations may, sometimes, act as barriers to effective communication. Some of these barriers are:

(i) Organisational policy: If the organisational policy, explicit or implicit, is not supportive to free flow of communication, it may hamper effectiveness of communications.

(ii) Rules and regulations: Rigid rules and cumbersome procedures may be a hurdle to communication. Similarly, communications through prescribed channel may result in delays.

(iii) Status: Status of superior may create psychological distance between him and his subordinates. A status conscious manager also may not allow his subordinates to express their feelings freely.

(iv) Complexity in organisation structure: In an organisation where there are number of managerial levels, communication gets delayed and distorted as number of filtering points are more.

(v) Organisational facilities: If facilities for smooth, clear and timely communications are not provided communications may be hampered.

Personal barriers: The personal factors of both sender and receiver may exert influence on effective communication. Some of the personal barriers of superiors and subordinates are mentioned below:

(i) Fear of challenge to authority: If a superior perceives that a particular communication may adversely affect his authority, he or she may withhold or suppress such communication.

(ii) Lack of confidence of superior on his subordinates: If superiors do not have confidence on the competency of their subordinates, they may not seek their advice or opinions.

(iii) Unwillingness to communicate: Sometimes, subordinates may not be prepared to communicate with their superiors, if they perceive that it may adversely affect their interests.

(iv) Lack of proper incentives: If there is no motivation or incentive for communication, subordinates may not take initiative to communicate. For example, if there is no reward or appreciation for a good suggestion, the subordinates may not be willing to offer useful suggestions.

26   Explain the measures to be taken for effective communication.

(i) Clarify the ideas before communication:
The problem to be communicated to subordinates should be clear in all its perspective to the executive himself. The entire problem should be studied in depth, analysed and stated in such a manner that is clearly conveyed to subordinates.

(ii) Communicate according to the needs of receiver: The level of understanding of receiver should be crystal clear to the communicator. Manager should adjust his communication according to the education and understanding levels of subordinates.

(iii) Consult others before communicating: Before actually communicating the message, it is better to involve others in developing a plan for communication.

(iv) Be aware of languages, tone and content of message: The contents of the message, tone, language used, manner in which the message is to be communicated are the important aspects of effective communication. The language used should be understandable to the receiver and should not offend the sentiments of listeners.

(v) Convey things of help and value to listeners: While conveying message to others, it is better to know the interests and needs of the people with whom you are communicating.

(vi) Ensure proper feedback: The communicator may ensure the success of communication by asking questions regarding the message conveyed. The receiver of communication may also be encouraged to respond to communication. The communication process may be improved by the feedback received to make it more responsive.

(vii) Communicate for present as well as future: Generally, communication is needed to meet the existing commitments, to maintain consistency, the communication should aim at future goals of the enterprise also.

(viii) Follow up communications: There should be regular follow up and review on the instructions given to subordinates. Such follow up measures help in removing hurdles if any in implementing the instructions.

*** Chapter -7*********************