**CHAPTER FIVE**

**DIRECTING/LEADING**

**Definition**

Leading according to Kooth and Weihrich, is the process of influencing people so that they will contribute to organization and group goals. It is influencing people so that they will work willingly and enthusiastically toward the achievement of organizational goals ultimate objectives. When we say influencing, it does not mean that coercing/forcing, imposing, suctioning or pushing people behind. It means rather-motivating people so that they contribute their maximum effort for the achievement of organizational goal.

Leading/Directing is that part of management function which actuates the organization members to work efficiently and effectively for the attainment of organizational objectives. Planning, organizing, and staffing are merely preparations for doing the work, and the work actually starts when managers start performing the directing function. Directing is the interpersonal aspect of management, which deals directly with influencing, guiding, supervising, and motivating the subordinates for the accomplishment of the per determined objectives.

Directing is a challenging function of management, because it deals with the human element of the organization, which represents a complex of forces about whom not much is known. A person's beliefs, hopes, ambitions, behavior, satisfaction, and interaction with other persons are all involved in the directing process.

**Elements of Directing Leading**

There are three elements of directing that helps managers to influence people to contribute willingly for the achievement of organizational goal. These are:

1. Motivation
2. Leadership
3. Communication

**A) MOTIVATION**

- Motivation refers to the forces to a person that arouse enthusiasm and persistence to pursue a certain course of action. It means stimulating people to action through incentives or inducements

1. The study of motivation helps managers understand what prompts people to initiate action, what influences their choice of action, and why they persist in that action over time.

- People have basic needs such as for food, achievements or monetary gain that translate into an internal tension that motivates specific behaviors with which to fulfill the need. To the extent that the behavior is successful, the person is rewarded in the sense that the need is satisfied. The reward also informs the person that the behavior was appropriate and can be used again in the future.

***Rewards are of two types***

1. Intrinsic reward - the satisfaction a person receives in the process of performing a particular action. The completion of a complex task may bestow a pleasant feeling of accomplishment, or solving a problem that benefits others may fulfill a personal mission.
2. Extrinsic rewards - given by another person, typically the manager, and include promotion and pay increases.

**THEORIES OF MOTIVATION**

The following are some of the basic theories of motivation:

**Hierarchy of Needs Theory (Abrham Maslow)**

1. It proposes that humans are motivated by multiple needs and that these needs exist in hierarchy order:
2. Physiological needs - the need for food, water air & sex
3. Safety needs - the need for security & safety
4. Belongingness/Social needs - the need for friendship, interaction and love
5. Esteem needs - the need for respect & recognition
6. Self-actualization needs - the ability to reach one's potentials.

Self actualization Need

Esteem need

Social Need

Security Need

Physiological Neeed

This theory is based on

1. Only an unsatisfied need can influence behavior; a satisfied need is not a motivator.
2. A person's needs are arranged in a priority order of importance. The hierarchy goes from the most basic needs to the best complex.
3. A person will at least minimally satisfy each level of need before feeling the need at the next level.
4. If need satisfaction is not maintained at any level, the unsatisfied need will become a priority once again. For example, for a person who is presently feeling social needs, safety will become a priority once again if he or she is fired.

**The two-Factor Theory (Herzberg 1975)**

The findings of the two factor theory suggested that the work characteristics associated with dissatisfaction are quite different from those pertaining to satisfaction which prompted the notion that two factors influence work motivation. These factors are hygiene factors and motivation factors.

Hygiene factors (salary, job security, working conditions, status; Company policies; quality of technical supervision and quality of interpersonal, relationships among peers, supervisors, and subordinates) are the primary elements involved in job dissatisfaction. When present in sufficient quality, they have no effect; when absent, they can lead to job dissatisfaction. Motivation factors (achievement, recognition, responsibility, advancement, the work itself, and possibility of growth) are the primary elements involved in job satisfaction. When present, they can stimulate personal and psychological growth.

**Theory X and Theory Y (Douglas McGregor 1960)**

Theory X is a philosophy of management with negative perception of subordinates potential for work and attitudes toward work. It assumes that subordinates dislike work, are poorly motivated, and require close supervision. A manager with these beliefs tends to control the group, use negative motivation, and refuse to delegate decision-making.

Theory Y is a philosophy of management with a positive perception of subordinates' potential for and attitudes toward work. It assumes that subordinates can be self-directing, will seek responsibility and find work as natural as play or rest. The outcome of this belief is a manager who encourages people to seek responsibility, involves people in decision making and work with people to achieve their goals. The important point about theory X and theory Y is that a management philosophy influences the type of work climate the manager endeavors to create and ultimately, how the manager treats people.

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| **Theory X** | **Theory Y** |
| Assumes human beings inherently dislike work and are distasteful towards work. | Assumes that work is as natural as play or rest |
| Emphasizes that people do not have ambitions and they shrink responsibility | Assumes just the reverse. Given proper conditions, people have ambitions and accept responsibility |
| Assumes that people in general have little capacity for creativity | Assumes just the reverse. Given proper conditions, people have ambitions and accept responsibility |
| People lack self motivation and require be externally controlling and closely supervising in order to get maximum output. | people are self directed and creative and prefer Self control |
| Emphasizes upon centralization of authority in decision-making process | Emphasizes decentralization and greater participation in decision-making process |

#### **B) LEADERSHIP**

Leadership is the process of influencing individuals and groups to set and achieve goals. It is an act of influencing and motivating people to perform certain tasks to achieve organizational objectives. Thus, an effective leader is expected to have adequate knowledge of human behavior, including the ability to persuade and motivate people and communicate with them properly.

### Definition

1. "The art or process of influencing people so that they will strive willingly and enthusiastically towards the achievement of group goals."
2. "Leadership is the ability to secure desirable actions from A group of followers voluntarily without the use of coercion."
3. "The process of directing & inspiring workers to perform the task related activities of the group."

People should be encouraged to develop not only willingness to work, but also willingness to work with zeal and confidence.

In short leadership involves,

1. Influencing and interacting with people to attain goals.
2. Related to a particular situation at a given point of time and a specific set of circumstances.
3. By accepting the willingness, followers will make the leadership process possible.

# THEORIES OF LEADERSHIP

1. **The trait theory of leadership:-**

Traits are inborn and inherent personal qualities of individuals. This theory believes leaders possess certain specific inborn traits, which are inherited rather than acquired. It has a root from **"the great man theory"** dating back to the ancient Greeks & Romans time, holds that leaders are born not made.

The trait theory studies focused on the personal traits of leaders and attempted to identify a set of individual characteristics that distinguished leases from followers' also successful leaders from unsuccessful ones. In general the trait theory hasn't been a fruitful approach to explain leadership.

1. **The behavioral theory of leadership:-**

The behavioral theory of leadership focused on what leaders do rather than their traits. Studies showed that one set of traits/leadership style might not be equally appropriate in all situations. This theory suggested that there were two distinct types of leadership which are known as task-oriented /production centered/ and employee oriented /people centered/.

1. **The situational /contingency/ theory of leadership:**

According to this theory, leadership is strongly affected by a situation from which a leader emerges and in which he/she works. It's a function of the leader, the followers and the situation.

It attempts to discover that the one unique set of leadership traits were largely unsuccessful. Modern management theorists are more prone to the belief that leadership is more complex; that is it can't be represented by one set of traits or by single set of behavior, thus effective leadership behavior depends on the environment or the situation.

## **LEADERSHIP STYLES**

Managers in an organization shall relatively be consistent in the way they try to influence others behavior. The manager who dominates subordinates in one situation is not likely to use a high degree of consideration and participation in another. This behavioral pattern of leaders is known as leadership style.

It can be defined as the various patterns of behavior favored by leaders during the process of directing and influencing workers, which is determined by leaders personality, experience and value system, nature of followers and environment.

There are three important leadership styles

*a) Autocratic*

*b) Democratic /participate/*

*c) Laissez-faire /free rein/*

**Autocratic style** - "I" approach,

Is a leadership approach in which a manager does not share decision making authority with subordinates. Autocratic managers may ask for subordinates' ideas & feedback about the decision, but the impute does not usually change the decision unless it indicates that something vital has been overlooked.

Under certain conditions, the autocratic style is appropriate. eg. During crisis & when subordinates are trainees and when there is act of insubordination.

It is also effective when managers face issues that they are best equipped to solve, create solutions, whose implementation does not depend on others & desire to communicate through orders & instructions

This leadership style is closely associated with the classical approach to management and it is characterized by the following behavioral patterns of leaders.

1. The leader doesn't seek any opinions from subordinates, holds conflicts and with less creativity.
2. Exercises rigid control and close supervision, relies on punishments.
3. Subordinates typically react by doing only what's expected and by suppressing their frustration.
4. The autocratic leader is task-oriented, gives little value on showing consideration to subordinates.
5. Depends on one way communication downward only.

**Participate (democratic) style** - "We" approach

It is a leadership approach in which a manager shares decision making authority with subordinates. It involves others and lets them bring their unique viewpoints, talents & experiences to bear on an issue.

Before subordinates are made to participate in the decision making process:

1. mutual trust & respect must exist between them & managers
2. subordinates must be willing & trained to be competent to solve problems
3. managers should give time & be patient to make subordinates participate.

However, limits on subordinates' participation must be clearly spelled out before hand there should be no misunderstanding about who holds authority to do what.

This leadership style is characterized by the following behavioral patterns of the leader.

1. Allows the group members to participate in decision making process, proposed actions and encourages participation at all levels.
2. The leader will develop two way communications and promote team sphere.

The democratic leader explains to the group members like reasons for personal decisions when necessary and objectively communicates criticism and praise to subordinates.

**Free-rein style** -"They" approach

It empowers individuals or groups to function on their own, without direct involvement from the managers to whom they report. The style relies heavily on delegation of authority, and works best when the parties have expert power, when participants have and know how to use the tools & techniques needed for their tasks.

Free-rein leadership works particularly well with managers & experienced professionals in engineering, design, research & sales. Such people generally resist other kinds of supervision.

In most organizations managers must be able to use the decision making style that circumstances dictate. Because people & circumstance constantly change & because subordinates must be prepared to the change. The effective manager switches from one leadership style to another as appropriate.

The following are the behavioral patterns of laissez-faire leader.

1. Laissez-faire leaders make a few attempts to increase productivity, to develop their attempts or to meet subordinates psychological needs.
2. Use their power very little, if a tall, giving subordinates a high degree of independence in their operation.
3. These leaders maintain hands off policy where each subordinate work is clearly defined.
4. Such leaders depend on subordinates to set their own goals and the means of achieving them, and they see their role as one of aiding the operations of followers by furnishing them information and acting primarily as a contact with the groups external environment.

The laissez-faire leader has little or no self-confidence in his/her leadership ability, sets and goals for the group and minimizes communication and group interaction.

**COMMUNICATION**

Communication is the tool in which we exercise to influence others, bring about changes in the attitudes and views of our associates, motivate them, establish and maintain relations with them. Without communication there would be no interaction between persons.

# Definition:

* "Communication is the transfer of information from one person /sender/ to another person /receiver/ to achieve goals."
* "It's a process consisting of a sender transmitting a message through media to a receiver who respond"

# Importance of Effective Communication

Effective communication is important to managers for three primary reasons.

1. Communication provides a common thread for the management processes of planning, organizing, leading, and controlling.
2. Effective communications skills can enable managers to draw on the vast array of talents available in the multicultural world of organizations.
3. Managers spend a great deal of time by communicating face-to face, electronic or telephone communication with employees, supervisors, suppliers or customers.

## **The Communication Process**

Communication takes place in the relationship between a sender and a receiver. It can flow in one direction and ends there.

A model of the communication process:

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| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| Transmit | |  |  | |  | | Message | | |  |  | Message |  | | |  | |  | | Receive | | |
| Sender | |  |  | Encoding | |  | | | Channel | | |  |  | |  | |  | | | RECEIVER | | |
| SENDER  (Source) | |  |  | | | | |  |  | | |  | | Decoding | | | | |  | |  | | |
|  |  | | | |  | |  | | |  |  | | |  | |  | |  | | |  |
|  |  | |  | | | | |  | Noise **Feed back** | | |  | |  | |  | |  | | |  |

**Receive Transmit**

1. ***Sender:***

The sender/source of message initiates the communication. In an organization the sender will be a person with information, needs or desires and a purpose for communicating them to one or more other people.

1. ***Receiver:***

The person whose senses perceive the sender's message. There may be a large number of receivers, as when a memo is addressed to all members of an organization or there may be just one, as when one discusses something privately with a colleague.

1. ***Encoding:***

It takes place when the sender translates the information to be transmitted into a series of symbols.

1. ***Decoding:***

The process by which, the receiver interprets the message and translates it into meaningful information. It's a two-step process.

1. ***Channel:***

The formal medium of communication between a sender and a receiver.

1. ***Noise:***

Any factor that disturbs confuses or interferes with communication. Noise can arise along what is called the communications channel or method of transmission.

1. ***Message:***

The encoded information sent by the sender to the receiver.

1. ***Feed back:***

It's the response of the receiver to the sender, also passes through the same process.

**Communication can be**

**i) Formal Communication**

a) Downward communication ⇒ Messages from higher authority levels to lower levels.

b) Upward communication ⇒ Messages from subordinates to supervisors and to higher levels.

c) Horizontal communication ⇒ That flows between persons of equal status in the organization.

d) Vertical communication ⇒ May be downward or up word communication.

**ii) Informal Communication**

\* Grapevine.

\* Gossip, etc.