

Introduction to Management

Module 5

*Motivation, Morale, Productivity, and
Leadership;
Communication, Conflict Management,
and Stress*

Chapter-9

MOTIVATION, MORALE, PRODUCTIVITY AND LEADERSHIP

INTRODUCTION

- The success of organisation ultimately depends on how effectively managers are able to motivate their subordinates.
- Poorly motivated people can nullify even the soundest organisation.
- Managers can increase motivation by creating growth opportunities and by offering rewards that are in line with employee aspirations.

MOTIVATION

- Motivation is the drive that pushes you to work hard achieve the goal.
- It is the energy that gives you the strength to get up and keep going - even when things are not going your way.

Importance of Motivation

Motivation helps in

- Productive use of resources
- Increased efficiency and output
- Achievement of goals
- Stability in workforce
- Developing harmonious relationships

Purpose and Objective of Motivation

The purpose of motivation is

- to create conditions in which people are willing to work with zeal, initiative, interest, and enthusiasm
- ensure high employee morale and high sense of responsibility
- for improving discipline and to inculcate pride and confidence in the minds of workforce
- so that the goals of an organization are achieved effectively.

Why motivation is important ?

From Individuals' point of view :

- Gives job satisfaction.
- Helps in self-development
- Enhances professional competence
- Becomes more creative

From Organization point of view :

- The more team empowerment
- Can handle challenging tasks at work
- More profitable and successful is the business

Features of Motivation

Motivation is a process of stimulating people to act and accomplish desired goals. Its features are :

- It is an internal feeling
- It produces goal-directed behaviour
- It can be either positive or negative
- It means bargaining
- It is a complete process
- It is different from job satisfaction

How to motivate employees

- Two types of Motivation identified by Herzberg et al,
i.e. **Intrinsic motivation & Extrinsic motivation**

1. Intrinsic Motivation

- This is internal to individuals, and are the factors that influence people to behave in a particular way.
- Some of the factors which generate this type of motivation in people are viz., responsibility, autonomy (freedom to act), scope to use and develop skill and abilities, interesting and challenging work and opportunities for advancement.

2. Extrinsic Motivation

- This includes rewards, such as : increased pay, praise, or promotion, and punishments, such as disciplinary action, withholding pay, or criticism
Extrinsic motivation can have an immediate and powerful effect, but it will not necessarily last long.

Morale and Productivity

According to Edwin B. Flippo -- Morale is defined as a mental condition or attitude of individuals and groups, which determines their willingness to co-operate.

Morale is

- Purely emotional.
- An attitude of an employee towards his job, his superior, his organisation.
- Morale may range from very high to very low. It is not static.

Importance of Morale

Morale plays an vital role in organisation's success. High morale keeps the employees loyal to their job, profession and organisation.

Morale results in :

- High level commitment, sincerity, employee loyalty
- Reduction in absenteeism, labour turnover, grievances
- Increased discipline
- Reduction in industrial conflicts
- Sound superior-subordinate relations
- Team building
- Employee empowerment

Factors affecting morale

Morale is affected by :

- Employee's attitude towards his organization and supervisor
- The job satisfaction of the employee
- The workload and the work pressure level
- Supervisor support to his subordinates in the organization
- The treatment of individuals by the management
- The level of worker's pride in organization & its activities
- The level of worker's satisfaction with the pay package
- Worker's reactions to formal communication network in organisation
- Worker satisfaction with the opportunities for career progression
- The worker's attitude towards fellow workers

Morale and productivity

Based on the studies in the past, Miller and Form have given *four combinations of productivity and morale*.

1) High morale - high productivity

- When group goals are achieved and individual goals including freedom of work, salary, etc. are satisfied, and this will lead to **high employee morale, so standard of performance will be high, which in turn leads to high productivity** and vice versa.

2) Low Productivity - high morale

- Though the individual goals rather than causing high productivity like pleasant fellow workers, good working conditions, etc.. are satisfied, **where supervisors lack technical & administrative skills, which leads to low productivity of high morale group & where workers lack adequate skills or training leading to low productivity by high morale.**

Morale and productivity (Contd..)

3. High productivity - Low morale

- Supervisor is only able to increase high productivity through his skills or planning ability rather than through morale.
- He practices levy of penalties to give rise to high productivity.

4. Low productivity - Low morale

- Where group goals and individual goals do not get satisfied.

Case Study on Motivation Starbucks Case

Leadership

- Leadership is the ability to develop a vision that motivates others to move with a passion toward a common goal.
- So leadership is a process by which a person influences others to accomplish an objective and directs the organization in a way that makes it more cohesive and coherent.

Leadership definition by various authors

- Leadership is ultimately about creating a way for people to contribute to making something extraordinary happen -- Alan Keith
- Leadership is the process of influencing others towards the accomplishment of goals. It is the ability of a manager to induce subordinates to work with zeal and confidence -- Koontz & O'Donnell
- Leadership is the “process of social influence in which one person can enlist the aid and support of others in the accomplishment of a common task” -- M Chemers

Functions of a leader

Leader performs a variety of functions while trying to realise the organisational goals.

- Develops teamwork
- Becomes representative of a group of people
- Acts as an appropriate counsellor
- Uses power properly
- Strives for effectiveness

Importance of leadership

1. Inspires employees

- A leader creates a strong urge in employees for higher performance.
- He lifts a man's vision to higher sights.

2. Secures cooperation :

- A dynamic leader breathes life into the group
- He influences the behaviour of employees in such a way that they readily work for organisational objectives.
- Without sound leadership, cooperative action is impossible.
- Leadership provides character to the group and paves the way for integrated efforts at various levels.

Importance of leadership (Contd..)

3. Creates confidence : Employees often suffer from emotional problems in organisations. They get frustrated because of their inability to do certain jobs, to secure promotions, to sharpen their skills, to get along with people.

A leader comes in here and –

- Renders wise counsel and tries to remove barriers and instills confidence in employees.
- Transforms potential into reality
- Makes them realise their potential by showing the right way, clearing the paths and removing the hurdles.

Importance of leadership (Contd..)

4. Provides good working climate :

- Provides a healthy work climate where individuals can work toward objectives happily
- Initiates necessary changes and unifies efforts of employees.
- By making a judicious use of time and money, he takes up assignments on a priority basis
- Subordinates are allowed to do things independently. Their problems are looked into.
- Provides imagination, foresight, enthusiasm and initiative to employees and forces them to have an identity of interest, outlook and action.

Qualities of a good leader

Requisites to be present in a good leader. (Broad headings)

- 1. Intelligence :** A leader must have the ability to solve problems and take proper decisions. for this he must be an intelligent person.
- 2. Communication skill :** Objectives of the management must be communicated with the employees for this a leader must have good communication skill.
- 3. Emotional Stability :** A leader should be emotionally stable. He should not lose temper at any stage.
- 4. Understanding Human Behavior :** A leader should posses a deep understanding about human behavior, emotions, needs etc. and he should be able to deal with people.
- 5. Understanding the views of others :** The leader should understand the views of others. If he does all the things in his own way he may lose the support of others.

Qualities of a good leader (Contd..)

- 6. Motivating the Followers** : It is not enough if the leader is self motivated. He should also know how to motivate his followers.
- 7. Initiative and Creative Ability** : The leader should take initiative and lead for others to follow. The leader should also have creative ability
- 8. Judging Ability** : Leader should be able to judge anything. Then only the leader can anticipate the response to the actions and decisions.
- 9. Responsibly & Decision Making** : A leader should lead from the front by taking the responsibilities and must be a decision maker.
- 10. Guidance** : Leader should be a good guide to his subordinates. He should tell and demonstrate the ways of doing work.
- 11. Personality** : The leader should have an attractive and pleasing personality.
- 12. Dignified** : Should behave with his subordinates in a dignified manner.
- 13. Honest** : Should be honest, sincere, fair and reasonable in his dealings with his subordinates.

Case Study on Leadership : Role of Leadership in Aviation Industry p. 175

Chapter-10

COMMUNICATION, CONFLICT MANAGEMENT, STRESS

INTRODUCTION

- The word communication is derived from a Latin word 'Communis' which means to share or to participate.
- Communication is the process by which information is exchanged and understood by two or more people, usually with the intent to motivate or influence behavior.
- Communication among people can be affected by communication channels, non-verbal communication and listening skills.

Nature of Communication

- Communication refers to the process of passing information and understanding one person to another. It involves an exchange of facts, ideas, opinions or emotions by two or more individuals.
- According to L.A. Allen -- Communication is the sum of all the things one person does when he wants to create understanding in the mind of another.
- Communication is a bridge of meaning between people. By using this bridge of meaning a person can safely cross the river of mis-understanding that separates people.

Features of Communication

1. *Communication always involves two people - a sender and a receiver*
2. Communication is a process involving several steps
 - Sender has an idea to communicate
 - The idea is translated into a recognisable form i.e., encoding
 - The encoded message has to usually travel a distance through communication channels
 - Receiver gets the message, he begins decoding
 - Finally, the idea received by the receiver is the one which was intended, communication has taken place.
3. Communication is a continuous activity
4. Communication takes place at all levels in an organisation
5. Communication involves both information and understanding

Importance of communication

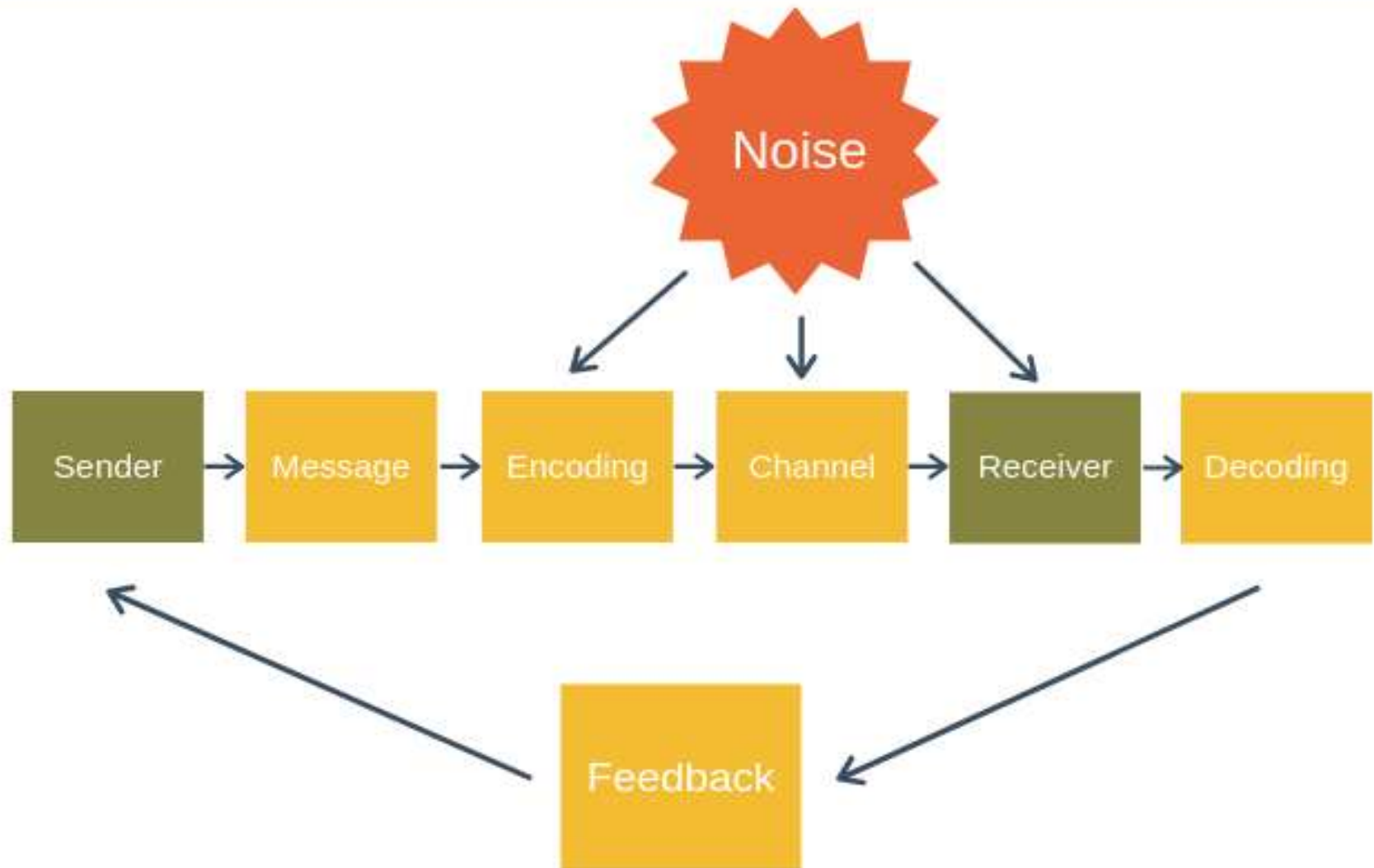
Communication is important to all managers, and it is needed by all employees.

Communication is the means by which the manager persuades, informs, motivates and leads employees towards organisational goals.

Communication is important because of the following reasons :

- *It is the basis of all actions*
- *Facilitates planning*
- *Helps in decision making*
- *Means of coordination*
- *Improves relationships*
- *Improves motivation and morale*

Communication Process



Channels of Communication

- There are precisely these two forms of communications in every organisation. (**Formal and Informal**)
- *Formal communications* are those which are bound with all rules and regulations, Ex. Orders, notices, etc.
- *Informal communication* includes the non official or un-regulated communications, Ex. Rumours, un-verified information
- They both exist simultaneously in an organisation.

Formal channels of communication

Every organisation has a formal set-up which they follow. All formal communications are broadly classified as:

- 1) Horizontal communication.
- 2) Vertical communication:
 - (a) Downward communication.
 - (b) Upward communication

1.Horizontal communication

Advantages

1. Horizontal communication improves the quality of team work.
2. It ensures greater efficiency and better results.
3. Helps to eliminate misunderstanding, envy, and petty jealousies among people of equal status.

1.Horizontal communication (Contd..)

Disadvantages

1. *Horizontal communication takes place more frequently than communication between seniors and juniors. So, a decision taken horizontally may go against some instructions given by senior.*
2. At higher managerial levels horizontal communication becomes difficult when people engaged in specialised jobs use technical Jargons.
3. Unless it is tightly controlled and each person is made actually aware of his responsibilities, a great deal of time may be wasted.

2. Vertical communication

Communication among different levels on the line of authority. Ex. A sectional manager speaking to general manager.

Downward communication

- Traditional type of corporate communication.
- Downward communication takes place whenever a person belonging to a higher position, the line of authority communicates with a person belonging to the lower levels of the hierarchy.
- Ex. Staff meetings, interviews, circular or notices, etc.

2. Vertical communication (Contd..)

Advantages of downward communication

1. It helps to maintain discipline within an organisation. Since the levels of authority are determined and clear-cut, each person knows that he is accountable to his immediate senior.
2. The seniors also know exactly the amount of authority they wield, and so they are confident while issuing instructions and orders to juniors.

Disadvantages of downward communication:

1. The lines of communication are often too long.
2. Message gets distorted sometimes.
3. Some information is confidential and cannot be communicated downwards.

2. Vertical communication (Contd..)

Upward communication

1. Flow of communication from lower levels to higher levels.
2. Upward communication is essential to managers informed about the progress of the work.
3. Ex. Supervisors advising officers.
4. In some organisations 'open door' policy is followed.

2. Vertical communication (Contd..)

Advantages of upward communication:

- It is a part of a two-way process which promotes better understanding between management and employees.
- Upward communication develops 'employer-employee' relations.

Disadvantages of upward communication:

- Only agreeable information is communicated upwards.
- Upwards communication tends to travel slowly as it is diluted or edited at each level before it is sent.

Other types

Informal Communication

- The rumour and random information.

Grapevine Communication :

- Here the information flows in any order i.e. , no horizontal or vertical flow of communication.
- Spreads very rapidly in all channels of communications.
- It provides feedback to the organisation, reaches everyone.
- It can be harmful as information can be baseless.
- It is mostly incomplete.

Good Communication-10 commandments

Communication is the basis of managerial work. It is, therefore, necessary for a manager to educate the staff about the importance of good communication. (Broad Headings)

The following 10 commandments help the manager to improve his communication skills.

1) Clarity :

- Think and plan before communication
- Be clear about what to communicate
- The more systematically, the problem is analysed, the clear it becomes

Good Communication (Contd..)

2. Purpose :

- State the purpose of each communication
- Obtain information
- Initiate action
- Change another person's attitude
- The sharper the focus of your message, the greater its chances of success.

3. Physical and human setting :

- Be sensitive to the total setting in communication
- The manager should analyse the social climate governing work relationships before issuing orders and objectives. The tone of communication should be changed accordingly
- The communication should also conform to the expectations of subordinates.

Good Communication (Contd..)

4. Participation :

- Invite others to participate since
- Participation helps to bring additional insight and objectivity to your message

5. Word choice and body language :

- Select simple words and use them carefully
- Physical actions such as emotions, gestures and facial expressions convey thoughts and emotions
- The body language should support the written communication

Good Communication (Contd..)

6. Empathy :

- Create a climate that encourages subordinates to communicate openly and honestly with them
- To be in a much better position to understand why people act as they do so.
- Should appreciate the feelings of subordinates.

7. Actions :

- Good Supervision and support
- Clear assignment of duties
- Fair rewards for effort

Good Communication (Contd..)

8. Use of feedback :

- The managers should provide feedback, which provides an open channel, so that he can check on how the messages are being perceived
- Should create an environment that encourages feedback

9. Communication for tomorrow as well as today :

- To be planned with the past in mind so as to support organization's policies consistently.

10. Be a good listener :

- Listening is one of the most important, most difficult and most neglected skills in communication
- Effective listening is empathetic listening. It requires an ability to listen for feeling as well for words

CONFLICT MANAGEMENT

INTRODUCTION

- Conflict is an essential part of organisational life. It takes many forms and stems from many sources.
- If the fires are not put out in time, conflict can disrupt organisational life quite seriously. Managers, therefore, have to take appropriate steps in order to manage conflict in a constructive way.
- Conflict is a perceived difference of values between two or more parties that results in mutual opposition (opposing interests or goals or opposing behaviour)
- Conflict is neither good nor bad . . . It's inevitable
- All unresolved conflicts decrease productivity & lowers performance.
- To manage the conflicts in the organization is termed as conflict management.

FEATURES OF CONFLICT

- Incompatibility
- Perception
- Blocking
- Scarcity
- Latent or overt
- Verbal or non-verbal

TYPES OF CONFLICT

1. Functional conflict (it is a positive side)

- When it increases the involvement of people.
- When it leads to growth.
- When relationships are clearly defined.
- When it provides an outlet for stress, anxiety, frustration, anger.
- When it leads to cohesion within the group.

2. Dysfunctional consequences (it is a negative side)

- When it keeps people from getting work done.
- When it threatens the relationship; destroys confidence and trust.
- When it becomes personal; feelings are hurt.
- When it dictates conformity; people are forced to a decision.

TYPES OF CONFLICT

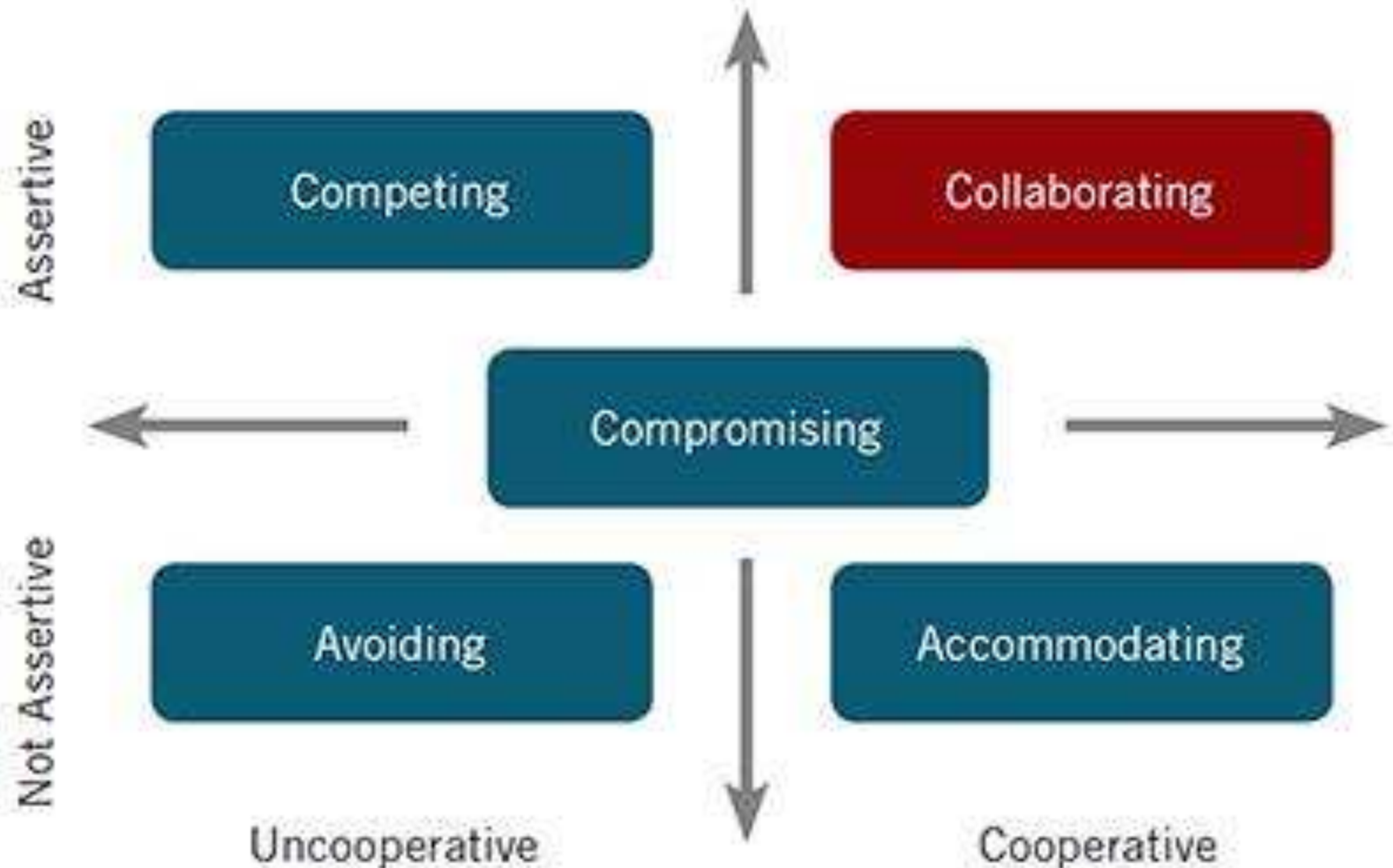
Most conflicts are --

- Minor
- Easily handled
- Overlooked (without harm to people)
- Avoidable (if) - Explanations are provided
- A service oriented behaviour / attitude is displayed

Conflicts can be --

- Difference of opinion or approach
- Competing interests & goals
- Value conflicts
- Unclear/unspoken
- Space needs - “Keep your distance” “Do not disturb - refueling!”

Conflict resolution styles



Conflict management style

Conflict management style is often viewed in terms of two dimensional model. Thompson suggested five styles : Competitive, sharing, avoidant, collaborative and accommodating

1) Competitive :

- The competitive style is high on assertiveness, and low on cooperativeness
- This style is power oriented and is associated with direct physical aggression and heavy reliance on punishment to gain control over others.

2) Avoiding (withdrawal) : A conflict handling mode that involves ignoring or suppressing a conflict in the hope that it will either go away or not become too disruptive.

3) Accommodating : A conflict handling mode that focuses on solving conflicts by allowing the desire of the other party to prevail.

Conflict management style (Contd..)

4. Compromise : A conflict handling mode that aims to solve conflict issues by having each party give up some desired outcomes in order to get other desired outcomes.

5. Problem solving / confrontation / collaboration (win-win) :

- Conflict is viewed as a non-zero sum game
- Other party is seen as a mutual problem solver
- Parties pursue joint outcomes
- Issues are looked at objectively
- Open, honest sharing of information
- Flexibility
- Tries to solve the conflict in a way that will benefit both the parties.

Conflict management strategies

The strategies for conflict management include the following :

- 1. Ignoring the conflict :** If the conflict is not too severe and the consequences not very serious, managers tend to ignore it and pretend that it does not exist.
- 2. Physical separation :** If the warring functions or parties are physically separated, the likelihood of open hostility and aggression is reduced.
- 3. Withdrawal :** The withdrawal may be from the situation or from the relationship with other group

Conflict management strategies (Contd..)

4. Dominance : The simplest conceivable conflict solution is elimination of the other party - to force opponents to flee and give up the fight or slay them.

5. Appeal procedures : A conventional method of resolving disputes in an organisation is that the people in disagreement ask for a higher authority to help them arrive at a solution by resolving the problem satisfactorily.

6. Compromise : Compromise can be used very effectively when the goal sought can be divided equitably. If this is not possible, one group should be prepared to give up something of value as concession. Compromise may also involve third-party interventions as well as total group or representative negotiating and voting.

Conflict management strategies (Contd..)

7. Liaison group / intermediaries: To arbitrate differences between two warring functions, a full-time integrator can be appointed who can speak the language of both the parties.

8. Member relations :

- Inter organisational activities, sometimes, help in reducing conflict.
- Exchange of people between independent departments creates an atmosphere where the new corner can exchange his views with others, It helps him see the big picture and his role in it.

9. Reduce interdependence : One way to resolve conflict is to reduce interdependencies by moving from reciprocal to sequential or from sequential to pooled interdependence.

Conflict management strategies (Contd..)

10. Procedural and structural changes : Conflict can occur because a procedure is illogically structured. Changes need to be made in the structure.

11. Superordinate goals :

It is believed that the possibilities for achieving harmony are greatly enhanced when disagreeing parties are brought together to work towards overriding goals which are real and compelling to all concerned.

Conflict management strategies (Contd..)

12. Identifying a common enemy :

- Groups in conflicts temporarily resolve their differences to combat a common enemy.

13. Integrated problem solving :

- Another conflict management strategy tries to find a solution that incorporates the requirements of both the parties.

[Case Explanation of South West Airlines](#)

JOB STRESS

INTRODUCTION

- Organisational life is quite stressful. Work pressures, tight schedules, meetings that never seem to end on time, unhelpful colleagues, critical bosses, incompetent subordinates and a host of other irritating factors may all have a cumulative effect in making the lives of modern-day executives quite miserable.
- Stress may be understood as a state of tension experienced by individuals facing extraordinary demands, constraints or opportunities.

Two phases of stress

- There are actually two faces to stress : Constructive stress, Destructive Stress

JOB STRESS - INTRODUCTION

diagram



Optimum Level of Stress

- The concept of an appropriate dosage of stress is highly important.
- Stress literature indicates that the ultimate goal is to reduce stress.
- It may be, but not necessarily. For some people, the level of stimulation is very low; they are bored and need more excitement and challenge.
- If stress is a neutral concept, then the goal is to reduce distress and maintain eustress.
- Thus, we are concerned with maintaining balance and equilibrium, realising that it is a dynamic process.

Nature of Stress

Nature of stress : Positive or negative

- As pointed out previously, stress is a state of tension experienced by individuals facing extraordinary demands, constraints or opportunities.
- Stress can be either positive or negative. For example, some new work situations can bring us positive challenges and excitement, while others are very disturbing and anxiety-arousing.

Sources of stress

It is important for a manager to understand and recognise what causes stress. Stress has organisational and personal factors.

1. Organisational Factors

- Occupational demands
- Role ambiguity
- Role underload
- Ineffective communication
- Job change
- Role conflict
- Role overload
- Interpersonal relationships
- Responsibility
- Climate with a company

2. Personal factors

- The impact of life change
- Type A and Type B personalities
- Internals vs Externals and the belief in external locus of control
- Other reasons

Management of stress

It is not true that employees do not want any stress at work.

There are a variety of ways in which individuals cope, or deal with stress at work.

These are identified into two categories

- Individual coping strategies
- Organisational coping strategies

Management of stress (Contd..)

1. Individual coping strategies

- Time Management
- Exercise
- Meditation and relaxation
- Other strategies
 - Keep a pet
 - Sing aloud
 - Sleep right
 - Take a walk
 - Cultivate interests
 - Spend time with children
 - Enjoy the idiot box (watching favourite programmes, TV)
 - Say your prayers religiously
 - Laughter
 - Be good at loving
 - Make friends
 - Date to dream

Management of stress (Contd..)

2.Organisational coping strategies

Stress management include stress prevention also. This is best achieved through certain organisational coping strategies. These include --

- Role clarity
- Supportive climate
- Clear career paths
- Company/Organization-wide programme

[Case Study – Communication Indonesia Air Asia flight goes missing](#)

Cast Study – Conflict Management – an example
from Aviation Industry –
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Thank you