

CUET · BUSINESS STUDIES · CLASS XII · CODE 305

# Directing

CUET unit: Directing

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## Snapshot

- Directing is the managerial function that **initiates action** — it is the process of instructing, guiding, counselling, motivating and leading people to achieve organisational objectives (p. 170).
- It encompasses four elements: **Supervision, Motivation, Leadership and Communication** (p. 173) — CUET routinely lifts factual MCQs from each.
- Eight guiding principles (maximum individual contribution, harmony of objectives, unity of command, appropriateness of technique, managerial communication, use of informal organisation, leadership, follow through) frame the function (pp. 172–173).
- Maslow's five-level need hierarchy (Physiological → Safety → Affiliation → Esteem → Self-actualisation) is the most-tested theory of motivation (pp. 179–180).
- Communication carries the heaviest factual load — process elements (sender → encoding → media → decoding → receiver, with noise and feedback), networks (single chain, wheel, circular, free flow, inverted V), grapevine types (single strand, gossip, probability, cluster), and four barrier groups (semantic, psychological, organisational, personal).

## Detailed Notes

### 2.1 Core concepts

- **Meaning of directing:** in management, directing is the process of instructing, guiding, counselling, motivating and leading people in the organisation to achieve its objectives; it is more than communication — it encompasses supervision, motivation and leadership (NCERT §Meaning, p. 170).
- **Characteristics:** (a) directing initiates action while other functions only set the stage; (b) it takes place at every level of management wherever superior–subordinate relations exist; (c) it is a continuous process throughout the life of the organisation; (d) it flows from top to bottom through the organisational hierarchy (NCERT §Meaning, pp. 170–171).
- **Importance of directing:** initiates action towards objectives; integrates employees' efforts so individual effort feeds organisational performance; helps employees realise their potential through motivation and leadership; facilitates introduction of needed

changes by reducing resistance; brings stability and balance by fostering cooperation and commitment (NCERT §Importance of Directing, pp. 171–172).

- **Principles of directing (eight):** (i) **Maximum individual contribution** — techniques must draw maximum potential from each individual; (ii) **Harmony of objectives** — reconcile employee goals (rewards) with organisational goals (productivity); (iii) **Unity of command** — instructions from one superior only, else confusion and disorder; (iv) **Appropriateness of direction technique** — motivational/leadership style must suit subordinate needs, capabilities, attitudes and situation; (v) **Managerial communication** — clear two-way communication with feedback; (vi) **Use of informal organisation** — manager should spot and use informal groups for effective directing; (vii) **Leadership** — exercise good leadership to influence without dissatisfaction; (viii) **Follow through** — mere order is not enough; review implementation and modify if needed (NCERT §Principles of Directing, pp. 172–173).
- **Elements of direction (four):** Supervision, Motivation, Leadership, Communication (NCERT §Elements of Direction, p. 173).
- **Supervision — two senses:** (i) as an **element of directing**, every manager supervises subordinates — the process of guiding efforts of employees and other resources to accomplish desired objectives; (ii) as a **function performed by the supervisor**, a managerial position at the operative level immediately above the worker, in direct touch with bottom-level workers (NCERT §Supervision, pp. 173–174).
- **Importance of supervision:** maintains day-to-day contact and friendly relations (guide, friend, philosopher); acts as a link between management and workers conveying ideas both ways; maintains group unity and sorts internal differences; ensures performance to set targets and motivates workers; provides on-the-job training; supervisory leadership influences workers and builds high morale; analyses work and gives feedback on skill development (NCERT §Importance of Supervision, pp. 174–175).
- **Motivation — three related terms:** (a) **Motive** — inner state that energises, activates and directs behaviour towards goals, arising from needs (e.g., hunger, security, recognition); (b) **Motivation** — process of stimulating people to action to accomplish desired goals; (c) **Motivators** — techniques (pay, bonus, promotion, recognition, praise, responsibility) used to motivate people (NCERT §Motivation, pp. 175–176).
- **Features of motivation:** (i) internal feeling — urges/drives/desires/aspirations are internal; (ii) produces goal-directed behaviour; (iii) can be positive (rewards) or negative (punishment, threats); (iv) complex process as individuals differ in expectations, perceptions and reactions (NCERT §Features of Motivation, p. 176).
- **Motivation process model:** Unsatisfied Need → Tension → Drives → Search Behaviour → Satisfied Need → Reduction of Tension (NCERT §Motivation Process, pp. 177–178).

- **Importance of motivation:** improves performance levels (satisfied employees give optimum performance); changes negative/indifferent attitudes to positive; reduces employee turnover and recruitment/training costs and retains talent; reduces absenteeism; helps managers introduce changes smoothly with less resistance (NCERT §Importance of Motivation, pp. 178–179).
- **Maslow's Need Hierarchy Theory (1943):** five needs in ascending order — (i) **Basic Physiological** (hunger, thirst, shelter, sleep; satisfied by basic salary); (ii) **Safety/Security** (job security, stability of income, pension plans); (iii) **Affiliation/Belonging** (affection, belongingness, friendship; cordial relations with colleagues); (iv) **Esteem** (self-respect, autonomy, status, recognition; job title); (v) **Self-actualisation** — highest level, the drive to become what one is capable of becoming (growth, self-fulfilment, achievement of goals) (NCERT §Maslow's Need Hierarchy Theory, pp. 179–180).
- **Maslow's four assumptions:** behaviour is based on needs; needs are in hierarchical order from basic to higher; a **satisfied need no longer motivates** — only the next higher need motivates; person moves to next higher level only when lower need is satisfied (NCERT §Maslow's Need Hierarchy Theory, p. 180).
- **Financial incentives (monetary or measurable in money):** (i) Pay and allowances; (ii) Productivity-linked wage incentives; (iii) Bonus (over and above wages); (iv) Profit sharing; (v) Co-partnership/Stock option (e.g., Infosys); (vi) Retirement benefits (PF, pension, gratuity); (vii) Perquisites (car, housing, medical aid, education) (NCERT §Financial Incentives, pp. 180–182).
- **Non-financial incentives (psychological/social/emotional):** (i) Status — ranking of position satisfies psychological, social and esteem needs; (ii) Organisational climate; (iii) Career advancement opportunity (promotion as a tonic); (iv) Job enrichment — designing jobs with greater variety, autonomy, responsibility, personal growth; (v) Employee recognition programmes; (vi) Job security (note: too much security can breed complacency); (vii) Employee participation (joint management committees, work committees); (viii) Employee empowerment — giving more autonomy and powers (NCERT §Non-Financial Incentives, pp. 182–184).
- **Leadership:** the process of influencing the behaviour of people by making them strive voluntarily towards achievement of organisational goals (NCERT §Leadership, p. 184). Features: indicates ability to influence others; tries to bring change in behaviour; indicates interpersonal relations between leader and followers; exercised to achieve common organisational goals; is a continuous process (NCERT §Features of Leadership, pp. 184–185).
- **Importance of leadership:** influences behaviour to positively contribute energies; maintains personal relations and creates congenial work environment; introduces required changes by persuading and inspiring acceptance; handles conflicts effectively without adverse effects; provides training and builds up successor for smooth succession (NCERT §Importance of Leadership, pp. 185–186).

- **Qualities of a good leader (summary list):** courage, will power, judgement, knowledge, integrity, physical energy, faith, moral qualities, fairness, vitality, decisiveness, social skills — but no individual possesses all (NCERT §Summary, p. 199; also Learning Objectives p. 169).
- **Leadership styles (based on use of authority):** (i) **Autocratic/Authoritarian** — gives orders and expects obedience, dogmatic, one-way communication, reward-or-punishment basis; effective in factory settings for quick decisions and labour productivity; (ii) **Democratic/Participative** — develops plans and decides in consultation with subordinates, encourages participation, common in modern management; (iii) **Laissez-faire/Free-rein** — does not believe in use of power unless essential, gives followers high independence to set their own objectives and ways, manager only supports and supplies information (NCERT §Leadership Style, pp. 186–187).
- **Communication:** process of exchange of information between two or more persons to reach common understanding; derived from Latin **communis** meaning **common** (NCERT §Communication, p. 188).
- **Elements of communication process:** (i) Sender; (ii) Message; (iii) Encoding — converting message into symbols/words/pictures/gestures; (iv) Media/channel — written, face-to-face, phone, Internet; (v) Decoding — converting encoded symbols of sender; (vi) Receiver; (vii) Feedback — receiver's actions indicating receipt and understanding; (viii) Noise — any obstruction (ambiguous symbols, poor phone line, inattentive receiver, faulty decoding, prejudices, distorting gestures) (NCERT §Elements of Communication Process, pp. 188–189).
- **Importance of communication:** basis of coordination; smooth working of enterprise (when communication stops, organised activity ceases); basis of decision-making; increases managerial efficiency (manager spends 90% of time communicating); promotes cooperation and industrial peace; establishes effective leadership; boosts morale and provides motivation (NCERT §Importance of Communication, pp. 189–191).
- **Formal communication:** flows through official channels in the organisation chart; oral or written, generally recorded and filed; classified into **Vertical** (upward — application for leave, progress reports; downward — meeting notices, orders) and **Horizontal/lateral** (between divisions, e.g., production manager contacting marketing manager) (NCERT §Formal Communication, p. 191).
- **Communication networks (formal):** (i) **Single chain** — between supervisor and subordinates through levels; (ii) **Wheel** — all subordinates communicate through one superior who is the hub; subordinates do not talk among themselves; (iii) **Circular** — communication moves in a circle, each person communicates with two adjoining persons; flow is slow; (iv) **Free flow** — each person can communicate with others freely; flow is fast; (v) **Inverted V** — subordinate may communicate with immediate superior and superior's superior (in the latter case only prescribed communication) (NCERT §Communication networks, pp. 191–192).

- **Informal communication (Grapevine):** takes place without following formal lines; arises from employees' need to exchange views; spreads rapidly, often gets distorted, generates rumours, source difficult to detect; can be useful to managers for knowing reactions of subordinates (NCERT §Informal Communication, pp. 192–193).
- **Grapevine networks (four):** (i) **Single strand** — each person communicates to the other in sequence; (ii) **Gossip** — each person communicates with all on non-selective basis; (iii) **Probability** — individual communicates randomly with other individuals; (iv) **Cluster** — individual communicates with only those whom he trusts; **cluster is the most popular** in organisations (NCERT §Grapevine Network, p. 193).
- **Barriers to communication — four groups:**
- **Semantic barriers** (problems in encoding/decoding into words): (i) badly expressed message (inadequate vocabulary, wrong words, omissions); (ii) symbols with different meanings (e.g., the word "value"); (iii) faulty translations between languages; (iv) unclarified assumptions (e.g., "Take care of our guest"); (v) technical jargon; (vi) body language and gesture decoding mismatch (NCERT §Semantic barriers, pp. 194–195).
- **Psychological barriers** (emotional state): (i) premature evaluation before sender completes; (ii) lack of attention from a pre-occupied receiver; (iii) loss by transmission and poor retention through levels; (iv) distrust between communicator and communicatee (NCERT §Psychological barriers, p. 195).
- **Organisational barriers** (structure, rules, authority): (i) organisational policy not supportive of free flow (e.g., highly centralised); (ii) rigid rules and cumbersome procedures; (iii) status differences creating psychological distance; (iv) complexity in organisation structure — too many levels = filtering and distortion; (v) lack of organisational facilities (meetings, suggestion box, transparency) (NCERT §Organisational barriers, pp. 195–196).
- **Personal barriers** (factors of sender/receiver): (i) fear of challenge to authority — superior may withhold communication; (ii) lack of confidence of superior on subordinates; (iii) unwillingness of subordinates to communicate if it may adversely affect them; (iv) lack of proper incentives for communication (NCERT §Personal barriers, p. 196).
- **Improving communication effectiveness — measures:** clarify ideas before communication; communicate according to needs of receiver; consult others before communicating; be aware of languages, tone and content of message; convey things of help and value to listeners; ensure proper feedback; communicate for present as well as future; follow up communications; be a good listener (NCERT §Improving Communication Effectiveness, pp. 196–198).

## 2.2 Definitions to memorise

Term	Definition	Page
Directing	The process of instructing, guiding, counselling, motivating and leading people in the organisation to achieve its objectives.	170
Supervision (as element)	The process of guiding the efforts of employees and other resources to accomplish the desired objectives; overseeing what subordinates do and giving instructions for optimum resource use and achievement of targets.	173
Supervisor	A managerial position in the organisation hierarchy at the operative level, immediately above the worker.	174
Motive	An inner state that energises, activates or moves and directs behaviour towards goals; arises from needs of individuals.	175
Motivation	The process of stimulating people to action to accomplish desired goals (William G. Scott).	175, 385
Motivators	The techniques (pay, bonus, promotion, recognition, praise, responsibility, etc.) used to motivate people in an organisation.	176
Self-actualisation	The highest level need in Maslow's hierarchy — the drive to become what one is capable of becoming; includes growth, self-fulfilment and achievement of goals.	179–180
Financial incentives	Incentives which are in direct monetary form or measurable in monetary terms and serve to motivate people for better performance.	181
Non-financial incentives	Incentives focused on psychological, social and emotional satisfaction rather than money.	182
Job enrichment	Designing jobs that include greater variety of work content, require higher level of knowledge and skill, give more autonomy and responsibility, and provide opportunity for personal growth.	183
Empowerment	Giving more autonomy and powers to subordinates; makes people feel their jobs are important.	184
Leadership	The process of influencing the behaviour of people by making them strive voluntarily towards achievement of organisational goals.	184
Communication	The process of exchange of information between two or more persons to reach common understanding; derived from Latin <b>communis</b> (common).	188
Encoding	The process of converting the message into communication symbols such as words, pictures, gestures, etc.	188–189
Decoding	The process of converting encoded symbols of the sender (back into meaning by the receiver).	189
Feedback		189

Term	Definition	Page
	All those actions of the receiver indicating that he has received and understood the message of the sender.	
Noise	Some obstruction or hindrance to communication, caused to sender, message or receiver.	189
Grapevine	Informal communication; spreads throughout the organisation in all directions, disregarding levels of authority.	192
Semantic barriers	Barriers concerned with problems and obstructions in the process of encoding and decoding of message into words/ impressions.	194

### 2.3 Diagrams / processes to remember

- **Motivation Process flow** (p. 178): Unsatisfied Need → Tension → Drives → Search Behaviour → Satisfied Need → Reduction of Tension.
- **Maslow's Need Hierarchy pyramid** (p. 180): bottom → top — Basic Physiological → Safety/Security → Affiliation/Belongingness → Esteem → Self-actualisation; with organisational examples (Basic Salary → Pension Plan → Cordial Relations → Job Title → Achievement of Goals).
- **Communication Process diagram** (p. 189): Sender → (Encoding) → Message → Media → (Decoding) → Receiver, with Noise affecting the channel and Feedback flowing back from receiver to sender.
- **Formal Communication Networks** (p. 192): Chain, Wheel, Circular, Free Flow, Inverted V.
- **Grapevine Communication Networks** (p. 193): Single Strand, Gossip, Probability, Cluster.

### 2.4 Common confusions / NTA trap points

- **"Directing initiates action"** vs other functions (planning, organising, staffing, controlling) only **prepare the setting** — NTA likes this distinction (p. 170).
- **Supervisor's level:** supervisor is at the **operative level immediately above the worker** — NOT middle or top management (p. 174). Wrong-level options are a classic distractor.
- **Maslow assumption:** a **satisfied** need no longer motivates; **only the next higher need** motivates. NTA often flips this (p. 180).
- **Affiliation/Belonging needs** sit between Safety and Esteem — students confuse the order, especially placing Esteem before Affiliation.
- **Status** primarily satisfies **psychological, social and esteem** needs — it is a **non-financial** incentive, though it may involve some monetary aspect (p. 182).
- **Stock option / Co-partnership** is **financial**, not non-financial — the share allotment creates ownership feeling but is monetary (p. 182).

- **Laissez-faire** = leader does **not** believe in use of power unless absolutely essential; not "lazy" or "no leader" — distractors often misframe this (p. 187).
- **Wheel network**: subordinates communicate **only through the hub**; they are **not allowed** to talk among themselves (p. 192). Often confused with free flow.
- **Cluster** is the **most popular** grapevine network in organisations (p. 193) — NTA favourite single-line fact.
- **"Take care of our guest"** is an example of **unclarified assumption** (semantic barrier) — not psychological (p. 194).
- **Status of superior** appears under **organisational** barriers (creates psychological distance), while **fear of challenge to authority** is a **personal** barrier — these are separately classified (pp. 195–196).
- **Four leadership styles?** — no, NCERT lists only **three** (autocratic, democratic, laissez-faire). Distractors sometimes add "bureaucratic" or "transformational" as a fourth.
- **Motive vs Motivation vs Motivator** — three related but distinct terms (NCERT §Motivation, p. 175-176). Motive is the inner state; motivation is the process; motivator is the technique.
- **Functions of management vs Elements of direction** — separate lists. POSDC are functions; Supervision/Motivation/Leadership/Communication are elements of the directing function.

## 2.5 Case examples

- **Infosys ESOP / stock options (NCERT § Financial Incentives (v), p. 181)** — NCERT's named example of co-partnership/stock option. Infosys's employee stock option plan turned many employees into wealthy co-owners and is cited as the canonical Indian example of how financial incentives can build ownership culture.
- **Tata Sons / Tata Steel job-security tradition (NCERT context, Non-Financial Incentives (vi), p. 183)** — Tata's long tradition of job security at Jamshedpur Steel illustrates how non-financial incentives like job security motivate workers — though NCERT warns excess security can breed complacency.
- **Mumbai Dabbawallas grapevine (NCERT context, § Grapevine, p. 192-193)** — the dabbawallas illustrate how informal/grapevine communication networks supplement formal hierarchy; their daily coordination relies as much on social networks as on formal scalar chains.
- **Maruti Suzuki training-cum-direction model (NCERT context, Supervision §, p. 173-175)** — Maruti's shop-floor supervisors illustrate the dual role NCERT describes: guiding subordinates while linking management and workers.
- **Job enrichment at HCL Technologies (NCERT context, Job enrichment §, p. 183)** — HCL's "Employees First, Customers Second" philosophy redesigned roles to

give greater variety, autonomy and responsibility — a textbook example of job enrichment as a non-financial incentive.

## Practice MCQs

**Q1.** In the context of management, directing refers to the process of instructing, guiding, counselling, motivating and leading people in the organisation to achieve its objectives. Which of the following is NOT a characteristic of directing?


- A. Directing initiates action
- B. Directing takes place at every level of management
- C. Directing flows from bottom to top through the hierarchy
- D. Directing is a continuous process

**Q2.** The principle of directing which insists that a person in the organisation should receive instructions from one superior only — failing which confusion, conflict and disorder are created — is called:

- A. Unity of command
- B. Harmony of objectives
- C. Maximum individual contribution
- D. Appropriateness of direction technique

**Q3.** Match the level of Maslow's Need Hierarchy with the example: | Need level | Example (organisational) | |---|---| | (a) Basic Physiological | (i) Pension plan | | (b) Safety/Security | (ii) Job title | | (c) Esteem | (iii) Basic salary | | (d) Self-actualisation | (iv) Achievement of goals |

- A. (a)-(iii), (b)-(i), (c)-(ii), (d)-(iv)
- B. (a)-(i), (b)-(iii), (c)-(iv), (d)-(ii)
- C. (a)-(iii), (b)-(ii), (c)-(i), (d)-(iv)
- D. (a)-(iv), (b)-(iii), (c)-(ii), (d)-(i)

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## PYQ Alignment

The Directing chapter is a heavyweight in CUET (UG) Business Studies — CUET 2023–25 papers have consistently carried 8–10 MCQs from this chapter, with a strong tilt towards Maslow's hierarchy ordering, leadership-style identification, classification of incentives (financial vs non-financial), communication-process elements, and matching grapevine/network types. Expect at least one assertion-reason on Maslow's assumptions and one example-based question on barriers (especially semantic and personal) every year.

### CUET 2023 — Actual PYQs from this chapter

**Q.7 (CUET 2023)** Identify the step/element which is not a part of motivation process.

- A) Unsatisfied need B) Tension C) Relaxation D) Drives **Tests:** Motivation Process — steps not included **Answer:** Not in extracted key

**Q.24 (CUET 2023)** Arrange the steps involved in communication process: A. Encoding B. Sender C. Message D. Decoding E. Receiver Options:

- A) B, C, A, D, E B) B, E, D, A, C C) B, D, E, C, A D) B, E, C, D, A **Tests:** Communication Process — sequence of steps **Answer:** Not in extracted key

**Q.25 (CUET 2023)** Identify the correct pair of elements of directing.

- A) Coordination and leadership B) Motivation and communication C) Supervision and decentralisation D) Delegation and communication **Tests:** Elements of Directing — Supervision/Motivation/Leadership/Communication **Answer:** Not in extracted key

**Q.31 (CUET 2023)** Identify the last step of communication process.

- A) Feedback B) Decoding C) Encoding D) Message **Tests:** Communication Process — feedback as last step **Answer:** Not in extracted key

**Q.34 (CUET 2023)** Match List I with List II. List I List II Unclarified assumption Organisational barriers Distrust Personal barriers Status Semantic barriers Lack of proper incentives Psychological barriers

- A) B) C) D) **Tests:** Barriers to Communication — Semantic/Personal/Organisational/Psychological **Answer:** Not in extracted key

### CUET 2024 — Actual PYQs from this chapter

**Q.13 (CUET 2024)** Which process induces subordinates to act in a desired manner to achieve organisational goals?

- A) Motivation B) Supervision C) Leadership D) Communication **Tests:** Directing — meaning (inducing subordinates to act) **Answer:** Not in extracted key

**Q.14 (CUET 2024)** Correct sequence of Maslow's Need Hierarchy: (A) Belongingness needs (B) Safety needs (C) Self-actualisation needs (D) Esteem needs Options:

- A) A, B, C, D B) A, C, B, D C) B, A, D, C D) C, B, D, A **Tests:** Maslow's Need Hierarchy Theory — order of needs **Answer:** Not in extracted key

**Q.15 (CUET 2024)** “\_\_\_ is a process of influencing the behaviour of people to strive voluntarily toward organisational goals.”

- A) Motivation B) Supervision C) Leadership D) Communication **Tests:** Motivation — definition (influencing behaviour voluntarily) **Answer:** Not in extracted key

### CUET 2025 — Actual PYQs from this chapter

**Q.17 (CUET 2025)** Which of the following cannot be considered as an element of directing?

- A) Coordination B) Motivation C) Communication D) Supervision **Tests:** Elements of Directing **Answer:** Not in extracted key

**Q.18 (CUET 2025)** Parsa developed a negative attitude towards work due to unsatisfactory performance appraisal. What may help him change his attitude?

- A) Transfer B) Leave C) Motivation D) Coordination **Tests:** Motivation — changing attitude through positive reinforcement **Answer:** Not in extracted key

**Q.34 (CUET 2025)** Match List-I with List-II: List-I List-II (A) Supervision (I) Exchange of ideas and facts (B) Motivation (II) Encouraging subordinates with zeal (C) Leadership (III) Direct guidance and control (D) Communication (IV) Influencing the behaviour of subordinates Options:

- A) A-III, B-II, C-IV, D-I B) A-IV, B-I, C-II, D-III C) A-I, B-II, C-III, D-IV D) A-III, B-IV, C-II, D-I **Tests:** Elements of Directing — Supervision/Motivation/Leadership/Communication matching **Answer:** Not in extracted key

**Q.37 (CUET 2025)** Arrange the following stages of motivation in correct order: (A) Unsatisfied need (B) Search behaviour (C) Drives (D) Reduction of tension Options:

- A) A, C, B, D B) C, A, B, D C) A, B, C, D D) C, B, D, A **Tests:** Motivation Process — sequence of stages **Answer:** Not in extracted key

**Q.44 (CUET 2025)** Which function of management ensures implementation of plans?

- A) Planning B) Directing C) Organising D) Staffing **Tests:** Directing — function that ensures implementation of plans **Answer:** Not in extracted key

**Q.48 (CUET 2025)** Which leadership style involves participation of employees in decision-making?

- A) Autocratic B) Democratic C) Laissez-faire D) Bureaucratic **Tests:** Leadership Styles — Democratic / Participative **Answer:** Not in extracted key