



STAFFING, MOTIVATION & LEADERSHIP

Unit-iv

Staffing Function of Management

- The managerial function of staffing involves manning the organization structure through proper and effective selection, appraisal and development of the personnels to fill the roles assigned to the employers/workforce.
- Meaning of Staffing:
- The term ‘Staffing’ relates to the recruitment, selection, development, training and compensation of the managerial personnel. Staffing, like all other managerial functions, is the duty which the apex management performs at all times. In a newly created enterprise, the staffing would come as a. third step—next to planning and organizing—but in a going enterprise the staffing process is continuous.
- According to Theo Haimann, “Staffing pertains to recruitment, selection, development and compensation of subordinates.”

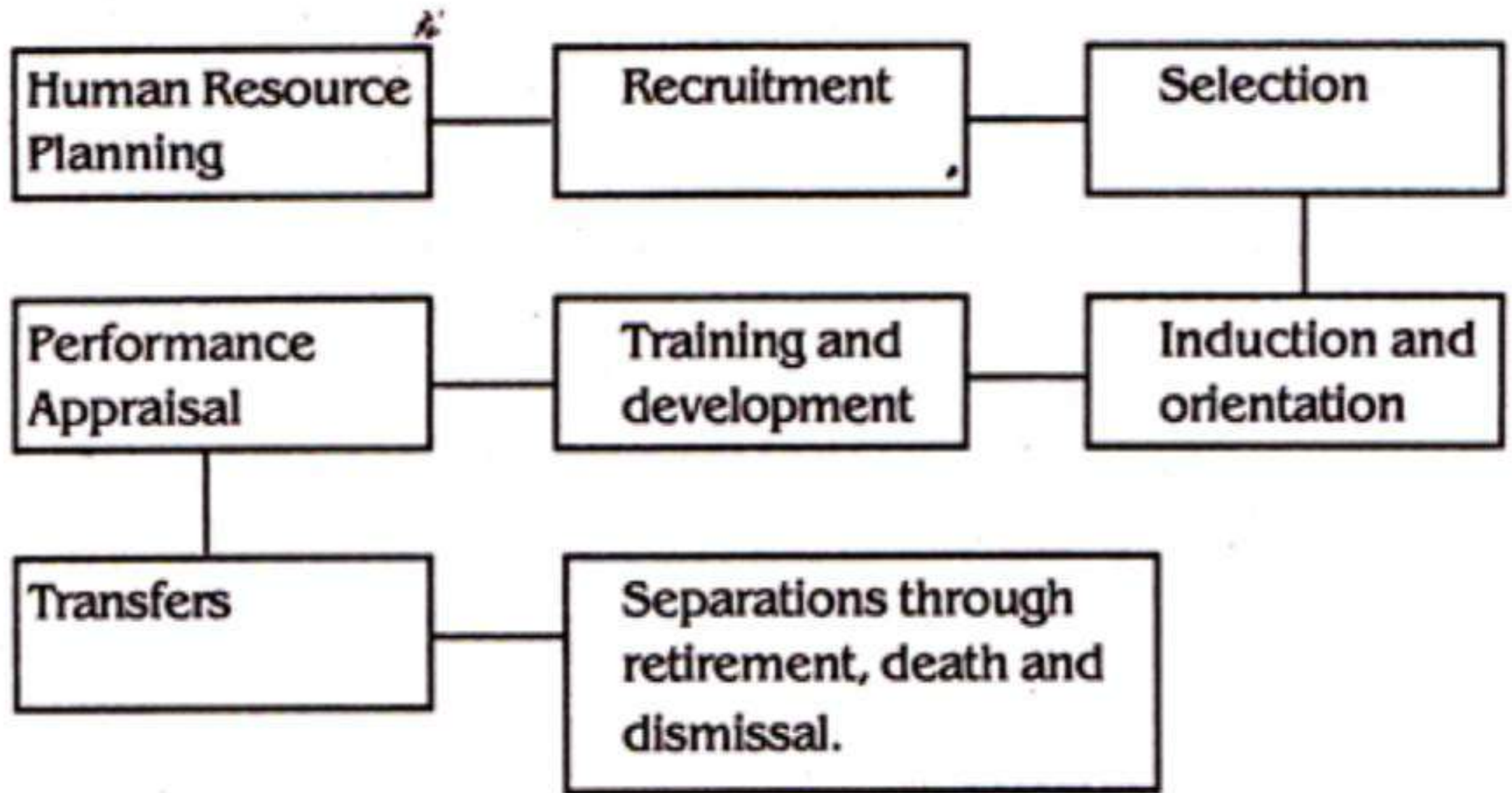


FIGURE 1 : STAFFING PROCESS

Staffing process

- Manpower requirements- The very first step in staffing is to plan the manpower inventory required by a concern in order to match them with the job requirements and demands. Therefore, it involves forecasting and determining the future manpower needs of the concern.
- Recruitment- Once the requirements are notified, the concern invites and solicits applications according to the invitations made to the desirable candidates.
- Selection- This is the screening step of staffing in which the solicited applications are screened out and suitable candidates are appointed as per the requirements.
- Orientation and Placement- Once screening takes place, the appointed candidates are made familiar to the work units and work environment through the orientation programmes. placement takes place by putting right man on the right job.

- Training and Development- Training is a part of incentives given to the workers in order to develop and grow them within the concern. Training is generally given according to the nature of activities and scope of expansion in it. Along with it, the workers are developed by providing them extra benefits of indepth knowledge of their functional areas. Development also includes giving them key and important jobs as a test or examination in order to analyse their performances.
- Remuneration- It is a kind of compensation provided monetarily to the employees for their work performances. This is given according to the nature of job- skilled or unskilled, physical or mental, etc. Remuneration forms an important monetary incentive for the employees.
- Performance Evaluation- In order to keep a track or record of the behaviour, attitudes as well as opinions of the workers towards their jobs. For this regular assessment is done to evaluate and supervise different work units in a concern. It is basically concerning to know the development cycle and growth patterns of the employees in a concern.
- Promotion and transfer- Promotion is said to be a non- monetary incentive in which the worker is shifted from a higher job demanding bigger responsibilities as well as shifting the workers and transferring them to different work units and branches of the same organization.

Nature of Staffing Function

- Staffing is an important managerial function- Staffing function is the most important managerial act along with planning, organizing, directing and controlling. The operations of these four functions depend upon the manpower which is available through staffing function.
- Staffing is a pervasive activity- As staffing function is carried out by all managers and in all types of concerns where business activities are carried out.
- Staffing is a continuous activity- This is because staffing function continues throughout the life of an organization due to the transfers and promotions that take place.

- The basis of staffing function is efficient management of personnels- Human resources can be efficiently managed by a system or proper procedure, that is, recruitment, selection, placement, training and development, providing remuneration, etc.
- Staffing helps in placing right men at the right job. It can be done effectively through proper recruitment procedures and then finally selecting the most suitable candidate as per the job requirements.
- Staffing is performed by all managers depending upon the nature of business, size of the company, qualifications and skills of managers,etc. In small companies, the top management generally performs this function. In medium and small scale enterprise, it is performed especially by the personnel department of that concern.

Functions of Staffing

1. The first and foremost function of staffing is to obtain qualified personnel for different jobs position in the organization.
2. In staffing, the right person is recruited for the right jobs, therefore it leads to maximum productivity and higher performance.
3. It helps in promoting the optimum utilization of human resource through various aspects.
4. Job satisfaction and morale of the workers increases through the recruitment of the right person.
5. Staffing helps to ensure better utilization of human resources.
6. It ensures the continuity and growth of the organization, through development managers.

Importance of Staffing

- Efficient Performance of Other Functions
- For the efficient performance of other functions of management, staffing is its key.
- Effective Use of Technology and Other Resources
- the effective utilization of the latest technology, capital, material, etc. the management can ensure the right kinds of personnel by performing the staffing function.
- Optimum Utilization of Human Resources
- To get the optimum output, the staffing function should be performed in an efficient manner.

- Development of Human Capital
- it has also to train and develop the existing personnel for career advancement.
- The Motivation of Human Resources
- In an organization, the behaviour of individuals is influenced by various factors which are involved such as education level, needs, socio-cultural factors, etc. Building Higher Morale
- The right type of climate should be created for the workers to contribute to the achievement of the organizational objectives.

Motivation and leadership

Anyone that's in a leadership role should understand how employees are motivated, and what they can do as a leader to keep them motivated. The word is often defined as "getting someone moving." Theory breaks down these forces into both internal or intrinsic motivation, as well as external or extrinsic motivation.

- Motivation Theory
- When someone gets motivated, or tries to get someone else moving, they are developing the incentives or conditions they believe will help move a person to a desired behavior. Whether it's intrinsic or extrinsic, most individuals are moved by their beliefs, values, personal interests, and even fear.
- One of the more difficult challenges for a leader is to learn how to effectively motivate those working for them. This is difficult to master because what triggers this action can be so personal.
- A misconception held by inexperienced leaders is the same factors that motivate one employee, or the leader themselves, will have the same effect on others too. In fact, nothing could be further from the truth.

Intrinsic and self motivation

- The theorists such as Malone and Lepper (1987) define self motivation in broader and perhaps more useful terms. Malone and Lepper believe this is simply what people will do without external influence. Said another way, intrinsically-motivating activities are those in which people will partake in for no reward other than the enjoyment these activities bring them.
- Malone and Lepper have integrated a large amount of research into a summary of seven ways the leadership of organizations can design environments that are self motivating.

1) Challenges

- Individuals are motivated when they are working towards personally meaningful goals. Attainment of those goals must require activity that is increasingly difficult, but attainable. In other words, people like to be challenged, but they must feel their goals are achievable to stay motivated. This can be accomplished by:
 - Establishing goals that are personally meaningful
 - Making those goals possible
 - Providing feedback on performance
 - Aligning goals with the individual's self esteem

Intrinsic motivation

2) Curiosity

- This concept talks about providing something in the individual's environment that arouses their curiosity. This can be accomplished by presenting the individual with something that connects their present knowledge or skills with a more desirable level - if the person were to engage in a certain activity. To motivate someone through curiosity, the environment must stimulate their interest to learn more.

3) Control

- Most people like to feel they are in control of their destiny. They want to feel in control of what happens to them. To stay motivated, individuals must understand the cause and effect relationship between an action they will take and the result. Leaders can use this information in the following ways:
 - Making the cause and effect relationship clear by establishing a goal and its reward.
 - Allowing individuals to believe the work they do makes a difference.
 - Allowing individuals to choose what they want to learn, and how to go about learning it.

Intrinsic motivation

4) Fantasy

- Another intrinsically motivating factor is fantasy. That is, individuals can use mental images of things and / or situations that are not actually present to motivate themselves. It's possible to foster this in others by helping individuals imagine themselves in situations believed to be motivating.
- For example, if someone is highly inspired by the thought of being in control, then talk to them about a future point in time when they might be in charge of a large and important business operation.

5) Competition

- Individuals can also be motivated by competition. That's because individuals gain a certain amount of satisfaction by comparing their performance to that of others. This type of competition can occur naturally as well as artificially. When using competition to foster motivation, keep in mind the following:
 - Competition is more appealing to some than others.
 - Losing in a competition de-motivates more than winning motivates.
 - Competitive spirits can sometimes reduce the likelihood of a coworker being helpful to competitors.

Intrinsic motivation

6) Cooperation

- Cooperating with others can be very motivating. Most individuals feel quite satisfied when helping others achieve their goals. As was the case with competition, this can occur naturally or artificially. When using cooperation, keep in mind:
- Cooperation is more important to some individuals than others.
- Cooperation is a valuable skill that can be used in many different situations.
- Interpersonal skills are important for cooperation.

7) Recognition

- Finally, individuals are oftentimes motivated through recognition. When their accomplishments are recognized by others, they feel encouraged. It's important for a leader to make sure that recognition is distinguished from competition. With recognition it's important to avoid comparing one worker's achievements to those of others, as might occur with a competition.

Extrinsic or External Motivation

- Employee Motivation
- Some of the most effective ways for managers and leaders to motivate their staff includes recognition, providing positive performance feedback, and by challenging employees to learn new things. New managers often make the mistake of introducing de-motivating factors into the workplace such as punishment for mistakes, or frequent criticisms.
- When followers feel they are being supported, and they have the ability to remain in control of their workplace, they stay motivated. Leaders can foster this feeling by allowing employees to take on added responsibility and accountability for making decisions.
- It's important to keep in mind that motivation is individual, and the degree of success achieved through one single strategy will not be the most effective way to move all employees. The most effective way to determine what triggers this feeling in others is through carefully planned trial and error.

Motivation Theories

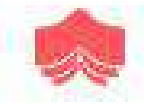
- Motivation is a state-of-mind, filled with energy and enthusiasm, which drives a person to work in a certain way to achieve desired goals. Motivation is a force which pushes a person to work with high level of commitment and focus even if things are against him. Motivation translates into a certain kind of human behaviour.
- It is important to ensure that every team member in an organization is motivated. Various psychologists have studied human behaviour and have formalized their findings in the form various motivation theories. These motivation theories provide great understanding on how people behave and what motivates them.
- Motivation is a huge field of study. There are many theories of motivation. Some of the famous motivation theories include the following:

Figuring Out What Motivates Others

- Talk to employees about what they value. This will provide insights into which of the seven factors mentioned above might be high on their list.
- Test a factor on an employee. For example, if it seems that recognition might be effective, then try using that factor.
- Check in with employees about their feelings. It's always a good idea to get feedback from employees. Make sure their reaction to each factor is what's desired.
- Be on the lookout for signs of de-motivation. It's important to make sure something isn't being introduced into the work environment that is being counter-productive to the goal.

1. Maslow's hierarchy of needs

- Abraham Maslow postulated that a person will be motivated when his needs are fulfilled. The need starts from the lowest level basic needs and keeps moving up as a lower level need is fulfilled. Below is the hierarchy of needs:
- **Physiological:** Physical survival necessities such as food, water, and shelter.
- **Safety:** Protection from threats, deprivation, and other dangers.
- **Social (belongingness and love):** The need for association, affiliation, friendship, and so on.
- **Self-esteem:** The need for respect and recognition.
- **Self-actualization:** The opportunity for personal development, learning, and fun/creative/challenging work. Self-actualization is the highest level need to which a human being can aspire.



According to Maslow, there are five general categories of needs given in an order:

- I. Physiological Needs:
 - At the base of the hierarchy are the physiological needs, which include basic needs like food, shelter, clothing, rest and recreation. These basic human needs have priority over all other needs. These needs cannot be postponed for long. Unless these basic physiological needs are satisfied, other needs do not motivate an employee.
- II. Security Needs:
 - After satisfying the physiological needs, the next needs felt are safety and security needs. Security needs are the needs for a safe and secure environment. In the workplace, these are the needs for job safety, job security, and fringe benefits.
- III. Belongingness Needs or Social Needs:
 - Social needs relate to the desire to have social interaction, friendship, affection, belongingness with groups, acceptance, affection, and support from others and so on. Such needs become motivators when physiological and safety needs have been fairly satisfied.

- IV. Esteem Needs:
 - Ego or esteem needs deal with the desire to receive attention and appreciation from others. In a work environment, this is the need for status and recognition for one's contributions to the work group and the organisation.
 - Esteem needs are of two types:
 - a. Internal esteem needs / self-esteem (self-respect, confidence, competence, achievement and freedom)
 - b. External esteem needs / esteem of others (recognition, power, status, attention and admiration).
- V. Self-Actualization Needs:
 - Self-actualization needs include the needs for self-fulfilment and competency. At work, this translates into needs for personal growth, development, and self-respect. This is the highest among the needs in the hierarchy of needs suggested by Maslow.

McGregor's theory X and theory Y

- Douglas McGregor formulated two distinct views of human being based on participation of workers. The first is basically negative, labelled as Theory X, and the other is basically positive, labelled as Theory Y. Both kinds of people exist. Based on their nature they need to be managed accordingly.
- Theory X: The traditional view of the work force holds that workers are inherently lazy, self-centred, and lacking ambition. Therefore, an appropriate management style is strong, top-down control.
- Theory Y: This view postulates that workers are inherently motivated and eager to accept responsibility. An appropriate management style is to focus on creating a productive work environment coupled with positive rewards and reinforcement.

Theory X

- The important assumptions underlying this theory are as follows:
- a. Average human being has an inherent dislike of work and will avoid it if they can.
- b. Because of this human characteristic of disliking work, people must be controlled, directed and even threatened to put their efforts for achieving an organisational goal.
- c. He avoids accepting responsibility.
- d. An average person lacks ambition and prefers to be led by someone else.
- e. He is self-centered and indifferent to organisational goals.
- f. Man resists change of any type and wants security above all.

Theory 'Y'

- The important assumptions of Theory Y, described by McGregor are:
- a. People do not dislike work; work is a natural part of their lives.
- b. People are internally motivated to reach objectives to which they are committed.
- c. An employee is capable of assuming responsibility and accepting challenge and change.
- d. People have the capacity to be innovative in solving organizational problems.
- e. This theory further suggests that employees may not require threat, external control and coercion to work, but they can use self-direction and self-control if they are dedicated and sincere to achieve the organizational objectives.

Conclusion of theory 'X' & 'Y'

- **Theory X:**

- 1. Theory 'X' is pessimistic, rigid and conservative
- 2. People are not self-motivated.
- 3. Manager has to control, supervise, threat or punish employees to achieve organisational goals. People prefer to be directed.
- 4. Centralization of authority, autocratic system of leadership is required.
- 5. People do not like work and try to avoid it.
- 6. People are not ambitious and dislike responsibility.

- **Theory Y:**

- 1. Theory 'Y' is optimistic, flexible and progressive.
- 2. People are self-motivated.
- 3. People can be self-directed and creative at work and need no close supervision and control.
- 4. Decentralization of authority, democratic system of leadership is required.
- 5. People do not dislike work. Work is a natural part of their lives.
- 6. People are ambitious and accept responsibility.

Urwick's Theory Z

- Much after the propositions of theories X and Y by McGregor, the three theorists-Lyndall Fowner Urwick (March 3, 1891 – Dec. 1983), Rangnekar and William G. Ouchi (born in 1943) propounded the third theory labelled as Z theory.
- The two propositions in Urwick's theory are that:
- (1) Each individual should know the organizational goals precisely and the amount of contribution through his efforts towards these goals.
- (2) Each individual should also know that the realisation of organizational goals is going to satisfy his/her needs positively.

The features of Theory Z or US-Japanese system of management are discussed as under:

- 1. Strong Bond between the Company and the Employees:
- Theory Z suggests life time employment in the company as followed in Japan. Retrenchment, lay off, etc., should be avoided as far as possible. Along with financial incentives, the management should also use non-financial incentives to motivate the workers. To strengthen the bond between the company and the workers, the management should follow the paternalistic style. The needs of workers must be satisfied.
- 2. Employees' Participation:
- The employees must participate in decision-making. They must be consulted by the management and their suggestions must be considered. This will increase their commitment to the organisational decisions. Thus, decision-making under Theory Z is less centralised and more consensus seeking. It involves the employees in decision-making and gives them due recognition.

- 3. Mutual Trust:
 - There should be trust between employees, supervisors, work groups, unions and management. According to Ouchi, trust, integrity and openness are closely related”. All these are necessary for an effective organisation. To develop trust, there should be complete openness and candour in relationships. The chances of conflicts should be reduced to the minimum. Attempts should be made to achieve win-win relationships in the organisation. This would make the employees committed to the organisation.
- 4. Integrated Structure:
 - No formal structure is recommended by Theory Z. The organisation structure should be based on team-work as in case of a basketball team where there are no formal reporting relationships and the players play together. An integrated organisation need not have any chart or visible structure. The employees must develop the group spirit.
- 5. Human Resources Development:
 - The management must work to develop new skills among the employees. In theory Z, human resources potential is recognized and the greater emphasis is on job enlargement and career planning as well as socialisation. Technical training, research and development are also emphasised.

- 6. Informal Controls:
- Theory Z requires the managers to reduce their reliance on formal control system. As far as possible, organisational controls should be informal and flexible. In other words, the managers should emphasize mutual trust and cooperation rather than their authority over the subordinates. There should be free flow of information throughout the organisation so that corrective actions could be taken quickly whenever needed.
- It is obvious that Theory Z is a comprehensive philosophy of management. It is not merely a technique of motivation. It rather involves a complex amalgamation of management principles and techniques for obtaining maximum cooperation of the employees. It provides a complete transformation of managing people at work as compared to Theory X and Theory Y. It calls for mutual trust between management and workers, strong bond between organisation and workers, involvement of employees in decision-making and so on.
- Theory Z has been practised successfully by the Japanese firms operating in the U.S.A. With the collaboration of Indian organisations and Japanese firms, there has been a lot of talk about the application of Theory Z to Indian conditions. In Maruti Udyog (having collaboration with Suzuki Motors of Japan), an attempt has been made to implement Theory Z.

Comparison of McGregor's Theory X and Y, and Ouchi's Theory Z

Theory X	Theory Y	Theory Z
Employees dislike work and will try to avoid it.	Employees view work as a natural part of life.	Employee involvement is the key to increased productivity.
Employees prefer to be controlled and directed.	Employees prefer limited control and direction.	Employee control is implied and informal.
Employees seek security, not responsibility.	Employees will seek responsibility under proper work conditions.	Employees prefer to share responsibility and decision making.
Employees must be intimidated by managers to perform.	Employees perform better in nonintimidating environment.	Employees perform better in environments that foster trust and cooperation.
Employees are motivated by financial rewards.	Employees are motivated by many different needs.	Employees need guaranteed employment and will accept slow evaluation.

Leadership Styles

- Leadership style is the manner and approach of providing direction, implementing plans, and motivating people. As seen by the employees, it includes the total pattern of explicit and implicit actions performed by their leader (Newstrom, Davis, 1993).
- The first major study of leadership styles was performed in 1939 by Kurt Lewin who led a group of researchers to identify different styles of leadership (Lewin, Lippit, White, 1939). This early study has remained quite influential as it established the three major leadership styles: (U.S. Army, 1973):
- There is never a one-size-fits-all leadership style for every business – all companies operate differently and certain traits will be more successful in some environments than others.
- However, having a thorough understanding of various leadership styles enables senior executives to not only adopt the correct characteristics for themselves, but also choose better managers throughout the organisation.

Autocratic leadership

- A more extreme version of transactional leadership, autocratic leaders have significant control over staff and rarely consider worker suggestions or share power.
- “Ruling with an iron fist is rarely appreciated by staff, which can lead to high turnover and absenteeism.”
- There can also be a lack of creativity due to strategic direction coming from a single individual.
- This leadership style is best suited to environments where jobs are fairly routine or require limited skills. It is also common in military organisations.

Laissez-faire leadership

- More commonly used to describe economic environments, laissez-faire literally means “let them do” in French. This is typically translated to “let it be”.
- As such:
- “Laissez-faire leaders are characterised by their hands-off approach, allowing employees to get on with tasks as they see fit.”
- This can be effective in creative jobs or workplaces where employees are very experienced. However, it is important that leaders monitor performance and effectively communicate expectations to prevent work standards slipping.

Democratic leadership

- Also known as participative leadership, this style – as the name suggests – means leaders often ask for input from team members before making a final decision.
- “Workers usually report higher levels of job satisfaction in these environments and the company can benefit from better creativity.”
- On the downside, the democratic process is normally slower and may not function well in workplaces where quick decision-making is crucial.

Bureaucratic leadership

- Bureaucratic leadership models are most often implemented in highly regulated or administrative environments, where adherence to the rules and a defined hierarchy are important.
- “These leaders ensure people follow the rules and carry out tasks by the book.”
- Naturally, this works well in certain roles – such as health and safety – but can stifle innovation and creativity in more agile, fast-paced companies.

Charismatic leadership

- There is a certain amount of overlap between charismatic and transformational leadership. Both styles rely heavily on the positive charm and personality of the leader in question.
- However, charismatic leadership is usually considered less favourable, largely because the success of projects and initiatives is closely linked to the presence of the leader.
- While transformational leaders build confidence in a team that remains when they move on, the removal of a charismatic leader typically leaves a power vacuum.

Situational leadership

- [bctt tweet="Developed by management experts Paul Hersey and Ken Blanchard in 1969, situational leadership is a theory that the best leaders utilise a range of different styles depending on the environment." username="better_leaders"]
- Factors such as worker seniority, the business process being performed and the complexity of relevant tasks all play an important role in what leadership style to adopt for any given situation.
- For example, situational leaders may adopt a democratic leadership style when discussing commercial direction with senior executives, but switch to a bureaucratic strategy when relaying new factory protocols to workers.
- However, many people have a natural leadership style, which can make switching between roles challenging.
- It can also be difficult to gauge what style is most suitable for certain circumstances, holding up decision-making processes.

Transformational Leadership

- The leadership frameworks discussed so far are all useful in different situations, however, in business, "transformational leadership " is often the most effective style to use. (This was first published in 1978, and was then further developed in 1985.)
- Transformational leaders have integrity and high emotional intelligence . They motivate people with a shared vision of the future, and they communicate well. They're also typically self-aware , authentic , empathetic , and humble .
- Transformational leaders inspire their team members because they expect the best from everyone, and they hold themselves accountable for their actions. They set clear goals, and they have good conflict-resolution skills . This leads to high productivity and engagement.

Transactional leadership

- A transactional leader is someone who is laser-focused on performance similar to a pacesetter. Under this leadership style, the manager establishes predetermined incentives usually in the form of monetary reward for success and disciplinary action for failure. Unlike the pacesetter leadership style, transactional leaders are also focused on mentorship, instruction and training to achieve goals and enjoy the rewards.
- While this type of leader is great for organisations or teams tasked with hitting specific goals such as sales and revenue, it's not the best leadership style for driving creativity.
- Example: A bank branch manager meets with each member of the team bi-weekly to discuss ways the team can meet and exceed monthly company goals to get their bonus. Each of the top 10 performers in the district receives a monetary reward.