

# **COURSE TITLE**

## **CONSTRUCTION ENGINEERING AND MANAGEMENT**

### **Chapter 12**

#### **PERSONNEL MANAGEMENT**

##### **Lecture 12 (week 12)**

###### **Management and Organization, Motivation, Leadership, Communication, Recruitment and Selection, Training**

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###### **Learning Objective**

The main objective of this lecture is to understand about:

- Management and Organization.
- Motivation.
- Leadership.
- Communication.
- Recruitment and Selection.
- Training.

## **12.1 MANAGEMENT AND ORGANIZATION**

Management is the process of coordinating people and other resources to achieve the goals of the organization. Management is the “art of getting things done with and through people.” The task of planning, coordinating, motivating, and controlling efforts of others towards a specific objective is called management. Management is a process of planning, decision making, organizing, leading, motivation and controlling the human resources, financial, physical, and information resources of an organization to reach its goals efficiently and effectively. It involves the coordination of human and material resources towards objective accomplishment. Four basic elements can be identified in the context of management. They are: towards objective; through people via technique; and in an organization. Management is considered as both science and art. It is a science because of universally accepted principle of cause and effect relationship and art because it requires perfection through practice, practical knowledge and creativity etc.

### **Management Includes 5 Core Components**

- Planning, organizing, directing and controlling the activities of human and other resources.
- Making the most efficient and effective use of resources.
- Coordinating various activities.
- Coping with the changing environment.
- Achieving organizational goal.

### **Features of Management**

- Continuous and Never Ending Process.
- Is result oriented.
- Multidisciplinary in Nature.
- Group and Not an Individual Activity.
- Follows Established Principles or Rules.
- Aided but not replaced by Computers.
- Intangible but its Impact is Felt.
- Dynamic in Nature
- Art of Getting Work Done from People.

### **Importance of Management**

- Optimum utilization of resources.
- Achievement of desired goals.
- Minimises costs.

- Creates healthy working environment.
- Helps in growth and expansion.
- Improves company goodwill.
- Motivates employees.



Source [2]

An organization is formally defined as a collection of people working together in a division of labor to achieve a common purpose. [3] A set-up where individuals from diverse backgrounds, different educational qualifications and varied interests come together to work towards a common goal is called an organization. Two or more people working together in a coordinated manner to achieve group goals. The core purpose of an organization may be stated as the creation of goods or services for customers.

### **PURPOSE OF ORGANIZING**

- Divides work into specific jobs and departments.
- Assign tasks and responsibilities associated with individual jobs.
- Coordinates diverse organizational tasks.
- Clusters jobs into units.
- Establishes relationships among individuals, groups and units.
- Establishes formal lines of authority.
- Allocates and deploys organizational resources.

## **7.2 MOTIVATION**

Motivation is as the willingness to exert high levels of efforts towards organizational goals, conditioned by the effort's ability to satisfy some individual needs. [4] The "will" to do is

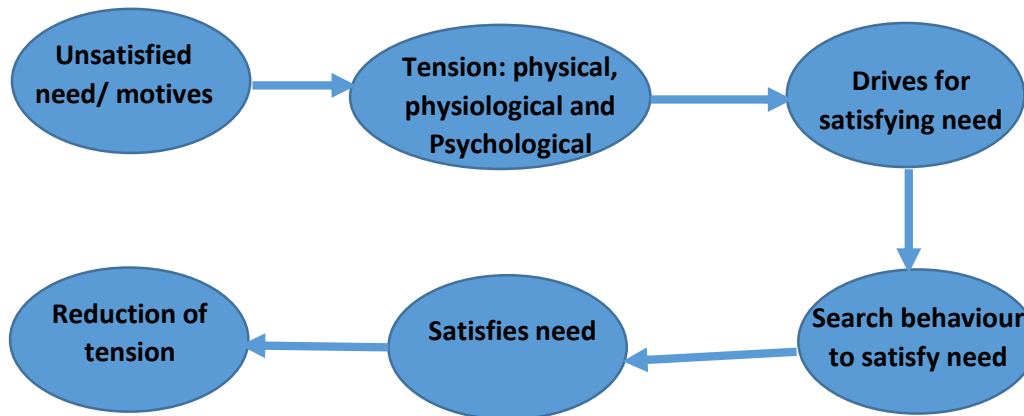
known as motivation. The force that lead to performance is motivation. Motivation refers to the process that account for an individual's

Intensity : How hard a person tries (physically and mentally)

Direction: Towards beneficial goal

Persistence: How long a person tries

Motivation is an internal feeling (Motivation is inside the person but goal is outside the person)



**Fig: Motivation Process**

Understanding a person's ability and his motivation helps a manager to predict his level of performance. Performance of a person is the product of ability and motivation.

$$\text{Performance} = \text{ability} \quad x \quad \text{motivation}$$

## **TYPES OF MOTIVE**

### **Primary motive**

Which are predominantly physiological (biological) in nature and unlearned such as air, water, shelter, food, etc.

### **Secondary motive**

Which are social and psychological in nature and comprise needs for affiliation, belongingness, power, prestige, knowledge, competence, recognition, achievement, etc.

### **Internal motive**

Which start from the ego needs (freedom, prestige, recognition, status, etc.) of the person.

### **External motive**

Which arise because of the social and family influences.

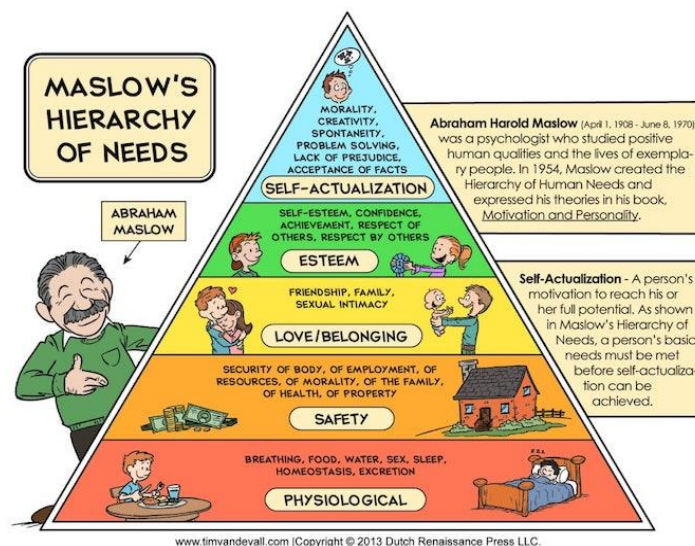
## **Importance of motivation**

1. Helps in satisfying the need of the employees.
2. Change the negative attitude to positive attitude.
3. Reduce labor turnover and absenteeism.

4. Helps in introducing change.
5. Improves level of efficiency of employees.
6. Creating friendly and supportive relationships.

## MASLOW HIERARCHY OF NEEDS THEORY

Maslow's "need hierarchy theory" is probably the most popular theory of motivation. Suggested that people have a complex set of strong needs which determines the behavior of individuals. In 1943, He formulated his theory of hierarchical needs by asking the same question: "what is it that makes people behave the way they do?" This theory believed that once a given level of need is satisfied, it no longer serves to motivate human. Then, the next level of need emerges. According to Maslow, needs exist in a hierarchy. Only when lower-order needs are satisfied can higher order needs be activated and serve as sources of motivation. It has classified human needs in five categories viz., biological needs, safety needs, social needs, esteem needs, and self-actualization needs.



Source [5]

## ERG THEORY OF MOTIVATION

CLAYTON PAUL ALDERFER, an American Psychologist extended and simplified Maslow's Hierarchy into a shorter set of three needs. Instead of the five needs that are hierarchically organized, Alderfer proposed that basic human needs may be grouped under three categories, namely, existence, relatedness, and growth. Existence corresponds to Maslow's physiological and safety needs, relatedness corresponds to social needs, and growth refers to Maslow's esteem and self-actualization.

## TWO FACTOR THEORY

This theory argues that there are separate sets of mutually exclusive factors in the workplace that either cause job satisfaction or dissatisfaction. [6] Presence of these factors does not cause

motivation but their absence causes dissatisfaction. They are, therefore, dis-satisfiers and not motivators. They simply prevent dissatisfaction.



Source [6]

### 7.3 LEADERSHIP

A leader is a person who has a vision, a drive and a commitment to achieve that vision, and the skills to make it happen. Leadership is guiding and influencing people to achieve goals willingly and enthusiastically in a given situation. The act of motivating or causing people to perform certain tasks intended to achieve specified objectives. It is the function by which a manager unleashes the available resources in order to get the organization to carry out plans to accomplish objectives.

*"Leadership is the lifting of a man's vision to higher sights, the raising of a man's performance to a higher standard, the building of a man's personality beyond its normal limitations."* **Peter Drucker. [7]**

#### Functions of Leadership

- Goal Determination
- Environmental adaptation
- Task orientation
- Representation

#### Characteristics of Leadership

- It is an interpersonal process in which a manager is into influencing and guiding workers towards the attainment of goals.
- It denotes a few qualities to be present in a person who includes intelligence, maturity, and personality.
- It is a group process. It involves two or more people interacting with each other.
- A leader is involved in shaping and molding the behavior of the group towards the accomplishment of organizational goals.

- Leadership is a situation bound. There is no best style of leadership. It all depends upon tackling the situations.

## **LEADERSHIP STYLE**

### **AUTOCRATIC STYLE**

In this style, power and decision making are centralized on the leader. Its features are –

- Leaders make all decisions. Subordinates are not consulted.
- Leaders have position based authority. They demand total obedience.
- Leaders give reward and punishment as they like,
- Permits quick decision making. Information is controlled by leader.
- This type of leadership is effective in emergency and it result high productivity.

### **DEMOCRATIC STYLE**

- In this style of leadership, power and decision making are decentralized.
- Discussion, consultation and participation of the subordinates are encouraged.
- Leaders consult the subordinates about decisions. Also, the subordinates willingly cooperate with the leader.
- Authority and responsibility are delegated.
- Information is shared between leaders and followers.

### **FREE REIN (Laissez-faire) STYLE**

In this style, power and decision making are entrusted on to the subordinates. Its features are

- Leaders use very little power and control. They serve as an information center.
- Subordinates set own goals. Their potential is effectively utilized.
- Subordinates have decentralized authority and responsibility.
- They are high degree of independence in decision making.
- Influence flow in all directions.

## **7.4 COMMUNICATION**

It is the exchange of information between two people. Involves transfer of meaning, if no information or ideas have not been conveyed, communication hasn't taken place. It is taken as the fundamental management function and lifeblood of any organization. Without proper and effective communication, information will not flow in proper direction Communication is a way that one organization member shares meaning and understanding with another.

## **ADVANTAGES**

1. Increases productivity
2. Reduces stresses.
3. Better understanding what other are saying.
4. Better understanding how to get your message across.
5. Enhance relationships.
6. Save time and money.

## **Structure of Communication**

### **1. Formal Structure**

#### **(a) Vertical Structure**

##### **(i) Downward Communication**

Any communication that flows from a manager down the authority or along the chain of commands. It is used to inform, direct coordinate and evaluate subordinates.

##### **(ii) Upward Communication**

Managers rely on individuals below them for information. Reports are sent upwards in the authority hierarchy to inform higher management of progress towards goals and current problems. Hence upward communication is flow from subordinates to higher level managers

##### **(iii) Both way Communication**

When the communication is flown from both sides top level managers and the subordinates then it is taken as both way communication. Basically found in those organization which follows participative management.

#### **(b) Horizontal Structure**

Communication that takes place among any horizontally equivalent employees is known as horizontal communication. It is necessary to save time and facilitate coordination.

#### **(c) Diagonal Structure**

It cuts across functions and levels in the organization. When supervisors in credit department communicates directly with the marketing manager, who is not only different department but higher class, then they are engaged in diagonal communication.

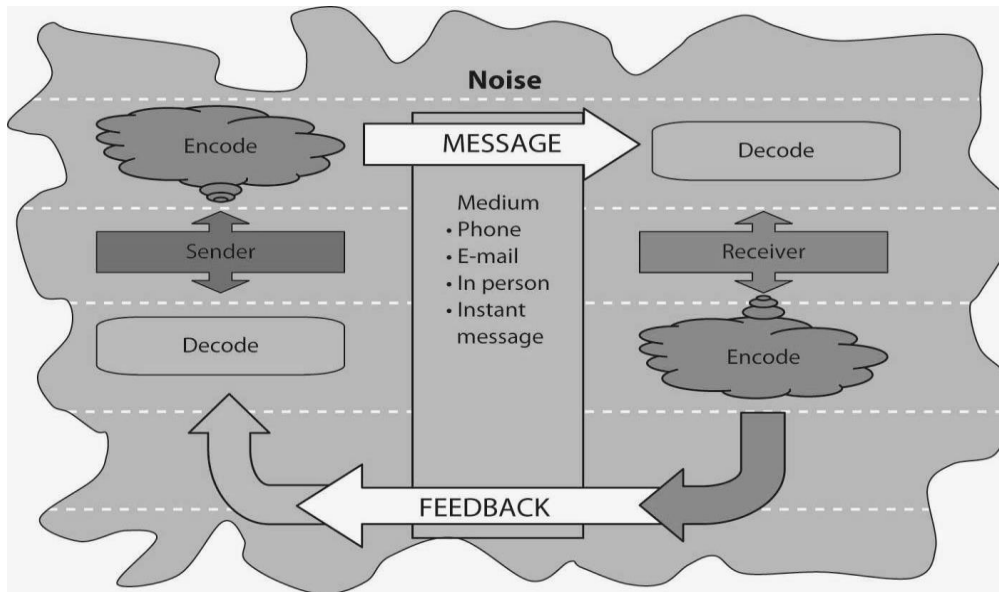
### **2. Informal Structure**

It is that communication structure that is not approved by management and not defined by the structural hierarchy. Grapevine is most common kind of information structure almost present in any organization. When the formal channels fail or do not work properly and some over-smart people spread rumors, false and irresponsible statement or half-truths in all the directions. It is called the communication on the grapevine channel.

## **CHARACTERISTICS**

1. Continuous process.
2. Complete system.
3. Interactive, timely and ever changing.
4. Mostly irreversible.
5. Intentional or unintentional.
6. Multi directional. .

## Process of Communication



Source [8]

- The communicator develops or conceptualizes an idea to be sent.
- Encoding means converting or translation the idea into a perceivable form that can be communicated to others.
- Medium is the channel or means of transmitting the message to the receiver. (speaking, writing etc.)
- The message can be received in the form of hearing, seeing, feeling and so on by the receiver.
- Decoding is the receiver's interpretation of the sender's message.
- Feedback means receiver's response to sender's message.
- Noise is the disturbances that interfere with the transmission of a message.

## 7.5 RECRUITMENT AND SELECTION

Recruitment is the process of searching for prospective employees and stimulating and encouraging them to apply for the jobs in organization. [9] Recruitment purpose is to provide management with enough candidates from which they can select qualified employees. Recruitment has been regarded as the most important function of HR management because unless the right type of people is hired, even the best plans, and control systems would not produce a good result.

Selection is essentially a process of choosing right applicants best suited for the organization's requirement. The most common approach to the selection objective is to choose individuals who possess the necessary skills, abilities, and personalities to successfully fill specific jobs in the organization. The mutual process whereby the organization decides to make a job offer and the candidate decides whether or not to accept it.

### **Major activities involved in selection are:**

- Establishing selection policies
- Identifying and choosing selection criteria
- Gathering information about potential employees
- Evaluating information and assessing applicants
- Making decision to select or reject
- Communicating decision – selected or rejected

## **7.6 TRAINING AND DEVELOPMENT**

Training is the process designed to maintain or improve current employee performance. Development is a process designed to develop skills and attitudes necessary for future work. Training is the application of knowledge and gives people an awareness of the rules and procedures to guide their behaviour. [9] Training and development attempts to improve the performance of employee in current job or prepare them for an intended job. Training and developmental program improve three types of skill: Technical skill, Interpersonal skill and Problem solving skill.

### **Importance of Training**

- Training makes employees to develop and rise within organization and increase their earning capacity.
- Trained worker enable the enterprise to face competition from rival organization.
- Training moulds the employee's attitude and helps them to achieve better Cooperation with the organization.
- Trained workers need lesser supervision.
- Training leads to job satisfaction and high morale of the employees.
- Trained material make better economic use of materials and equipment resulting in reduction of wastage and spoilage.

## **ON THE JOB TRAINING**

This is also called learning by doing. This method is the most widely used method and it simply means putting the workers on the job under close supervision of trained instructor. This training continues until supervisor is satisfied that the employee can adequately perform the job without supervision. This method is appropriate for skill oriented jobs with small number of employees. This method is suitable for the employees in clerical positions, shop floor and workers in manual and repetitive jobs.

## OFF THE JOB TRAINING

Such training takes place outside the actual workplace but attempts to simulate actual working conditions. Location of such training may be the organization's class room, an outside place owned by the organization, an educational institution etc. Various methods can be employed in this type of training like lecture, conference method, case study, role playing, audio visual techniques etc.

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