

BBA (ITM) SEM. - I**PRINCIPLES OF MANAGEMENT**
(CODE: UM01DBBI51)**UNIT 4: COMMUNICATION AND CONTROLLING****COMMUNICATION**

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CONTROLLING

- Meaning
- Definition
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COMMUNICATION**MEANING**

The term 'communication' has been derived from the Latin word 'communts' which means commonness. Communication is the process of passing information and understanding from one person to another to bring about commonness of interest, purpose and efforts. It is more than simply writing or talking to people. In fact, communication is 'the sum total of all things one person does when he wants to create understanding in the mind of another. It is a bridge of meaning'. Moreover, the communication is a two-way process as communication is not complete unless the receiver of the message has

understood the message properly and his reaction or response is known to the sender.

DEFINITION

1. "Communication is a way that one organisation member shares meaning and understanding with another." -Koontz and O'Donnell
2. "Communication is the process of passing information and understanding from one person to another." -Keith Davis
3. "Communication is the sum of the things one person does when he wants to create understanding in the mind of another. It is a bridge of meaning. It involves a systematic and continuous process of telling, listening and understanding." Louis A. Allen

IMPORTANCE

The implementation of policies and programmes of management is possible only through effective communication. We can understand the importance of communication from the following:

1. An aid to managerial performance:

A manager can take appropriate decisions with the help of communication. The problem may be solved without much difficulty by the manager. The manager can get things done by subordinates through communication. He can impart the objectives of organisation to the subordinates through communication.

2. Achieving co-ordination:

A large scale business organisation employs a large number of workers. They are working on the basis of division of work and specialization. There is a need for co-ordination among such workers to attain organisation goals. The co-ordination is obtained through communication.

3. Helps in smooth working:

Communication helps the workers to know the real situation prevailing in an organisation. Subsequently, workers perform their duties without any delay, which leads to the smooth functioning of an organisation.

4. Increase managerial efficiency:

Out of the total time available to the manager, the manager nearly spends 80% of his time in transmitting the information to others regarding the business targets, rules, programmes, policies, etc. Communication helps the manager discharge his duties systematically and facilitates him to increase his efficiency.

5. Helps in decision making:

Good communication system provides all the necessary information, which enables the manager to take quality decisions in the proper time. Again, these decisions are communicated to those who are in need of them.

6. Maintaining industrial peace:

The main reason for industrial unrest is lack of communication or improper communication. This creates a strained relationship between the management and the workers. Communication helps both management and workers to understand each other and facilitates industrial peace.

7. Aid to leadership:

Management uses the communication as transmitter to forward its ideas, feelings, suggestions and directions to the employees. In the same way, the employees express their responses, attitudes and problems through communication to the management. Under this two way communication, the management can assume itself as a leader of its employees.

8. Aid to job satisfaction:

If the employees know what would be done and for what purpose, they can perform in a better way and efficiently. Employees know the expectations of the management. If their performance is not upto the standard, they can

improve it. Employees may wish to know their performance is correlated with the achievement of objectives. These are possible through effective communication. If effective communication exists, employees can get job satisfaction.

9. Saving in time:

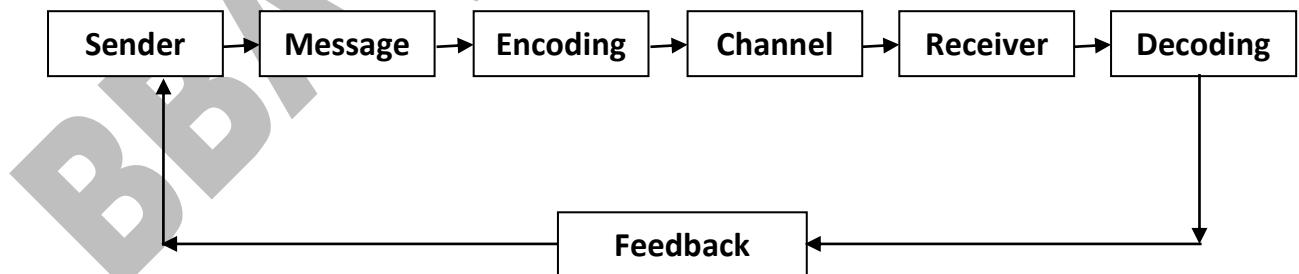
Effective communication results in the saving of time. A manager can communicate easily to all his subordinates by sitting in his room. There is no need for the savings of time and effort for both of them.

10. Aid to public relation:

The term public includes customers, potential customers, shareholders, members of the public, state government, central government and the like. The management can create good image among the public through effective communication. In this way, the management can maintain better public relations.

PROCESS

Communication is a continuous process which mainly involves three elements viz. sender, message, and receiver. The elements involved in the communication process are explained below in detail:



1. Sender

The sender or the communicator generates the message and conveys it to the receiver. He is the source and the one who starts the communication.

2. Message

It is the idea, information, view, fact, feeling, etc. that is generated by the sender and is then intended to be communicated further.

3. Encoding

The message generated by the sender is encoded symbolically such as in the form of words, pictures, gestures, etc. before it is being conveyed.

4. Channel

It is the manner in which the encoded message is transmitted. The message may be transmitted orally or in writing. The medium of communication includes telephone, internet, post, fax, e-mail, etc. The choice of medium is decided by the sender.

5. Receiver

He is the person who is last in the chain and for whom the message was sent by the sender. Once the receiver receives the message and understands it in proper perspective and acts according to the message, only then the purpose of communication is successful.

6. Decoding

It is the process of converting the symbols encoded by the sender. After decoding the message is received by the receiver.

7. Feedback

Once the receiver confirms to the sender that he has received the message and understood it, the process of communication is complete.

BARRIERS OF COMMUNICATION

Though communication is a pervasive activity, it is often unsatisfactory in practice. The interchange of ideas and information is blocked by several barriers. These barriers to effective communication are described below:

1. Badly Expressed Messages

Often the message is expressed in poorly chosen words or empty phrases. There is lack of coherence, inadequate vocabulary and inappropriate language. This lack of clarity and precision leads to unnecessary clarifications, costly errors and misunderstanding. Often the translation of the information is faulty and the message is irrelevant. This language or semantic problem may also arise because different people interpret the same words or symbols differently due to difference in their education, perception and

background. This semantic barrier can be overcome by broadening the outlook of every manager so that he can understand the mind of other persons.

2. Screening or Filtering

Successive transmissions of the same message are decreasingly accurate. At each level the message is screened by the receiver and only such information is passed further which gives a favourable impression of the sender. This premature evaluation of the communication distorts the message. Some managers fail to communicate due to their laziness or on the assumption that everybody knows. A manager must develop cooperative relationship with his subordinates. He should listen to and understand their attitudes to avoid filtering of information.

3. Inattention

Sometimes, people fail to read bulletins, notices, minutes and reports. They do not listen to the communication attentively. Subordinates may believe that the information is not important enough to communicate. Such errors of judgement make communication ineffective. Superiors have the tendency of non-listening. There may be lack of motivation to communicate due to poor facilities or delay in transmission.

4. Unclarified Assumptions

When the assumptions underlying the message are not clarified, misunderstanding may arise between the sender and the receiver of the message. For, instance, a customer sends a message that he will visit the vendor's plant at a particular time assuming that the vendor will provide transportation, boarding and lodging facilities. But the vendor assumes that the customer is arriving to attend a wedding and will make a routine call at the plant. These unclarified assumptions will spoil their relationship.

5. Resistance to change

Human beings by nature prefer to avoid disturbances in their daily routine and generally resist new ideas. They want to maintain the status quo. Everybody likes to receive that information which confirms his present belief and tends to ignore any thing that is contrary to such belief. When the communication involves a change that seriously. Changes affect different people differently and one may take time to think through the full meaning of a message. A manager should provide sufficient time and assistance to enable employees to adjust themselves to change.

6. Mutual Distrust

Effective communication is impossible when there is lack of confidence and mutual understanding between superior and subordinates. Ill-considered judgement or illogical decisions may prompt subordinates to delay action. In the absence of an open mind and willingness to see things through the eyes of others, people perceive same things differently. Management should create an atmosphere of mutual trust and confidence to enable people to appreciate one another's point of view.

7. Status and Position

Subordinates may not disclose the facts fully because of the fear of the consequences of such disclosure. They may deliberately mislead the superior or may hesitate to seek clarifications due to the feeling that it will lower down their prestige. Superiors tend to keep maximum possible information with them to avoid listening to the subordinates. The barrier created by differences in status or position and fear can be removed through a free and fair two-way flow of information throughout the organisation.

8. Complex Organisation Structure

An organisation structure involving several layers of supervision, use of staff specialists and a long chain of command is a major barrier to effective communication. Communication may break down at various levels of supervision. Organisational distance between workers and top management inhibits a free and fast flow of information and ideas along the chain of

command. Management must improve the organisation structure to remove this barrier.

PRINCIPLES OF EFFECTIVE COMMUNICATION

Following principles of communication make it more effective:

1. Principle of Clarity

The idea or message to be communicated should be clearly spelt out. It should be worded in such a way that the receiver understands the same thing which the sender wants to convey. There should be no ambiguity in the message. It should be kept in mind that the words do not speak themselves but the speaker gives them the meaning. A clear message will evoke the same response from the other party. It is also essential that the receiver is conversant with the language, inherent assumptions, and the mechanics of communication.

2. Principle of Attention

In order to make communication effective, the receiver's attention should be drawn towards message. People are different in behaviour, attention, emotions etc. so they may respond differently to the message. Subordinates should act similarly as per the contents of the message. The acts of a superior also draw the attention of subordinates and they may follow what they observe. For example, if a superior is very punctual in coming to the office then subordinates will also develop such habits. It is said that 'actions speak louder than words.'

3. Principle of Feedback

The principle of feedback is very important to make the communication effective. There should be a feedback information from the recipient to know whether he has understood the message in the same sense in which the sender has meant it.

4. Principle of Informality

Formal communication is generally used for transmitting messages and other information. Sometimes formal communication may not achieve the desired results, informal communication may prove effective in such situations. Management should use informal communication for assessing the reaction of employees towards various policies. Senior management may informally convey certain decisions to the employees for getting their feedback. So this principle states that informal communication is as important as formal communication.

5. Principle of Consistency

This principle states that communication should always be consistent with the policies, plans, programmes and objectives of the organization and not in conflict with them. If the messages and communications are in conflict with the policies and programmes then there will be confusion in the minds of subordinates and they may not implement them properly. Such a situation will be detrimental to the interests of the organization.

6. Principle of Timeliness

This principle states that communication should be done at proper time so that it helps in implementing plans. Any delay in communication may not serve any purpose rather decisions become of historical importance only.

7. Principle of Adequacy

The information communicated should be adequate and complete in all respects. Inadequate information may delay action and create confusion. Inadequate information also affects efficiency of the receiver. So adequate information is essential for taking proper decisions and making action plans.

CONTROLLING

MEANING

Control is the last function of management, the controlling function will be unnecessary to the management if other functions of management are performed properly. If there is any imperfection in the planning and actual

performance, control will be needed. The deviations are set right by the controlling function. This function ensures desired results. Planning identifies the activities and controlling regulates the activities. Success or failure of planning depends upon the result of success or failure of controlling.

DEFINITIONS OF CONTROLLING

E. F. L. Breach, "Control – checking current performance against pre-determined standards contained in the plans, with a view to ensure adequate progress and satisfactory performance, also recording the experience gained from the working of these plans as a guide to possible operations."

Billy E. Goets, "Management control seeks to compel events to conform to plans."

Knootz and O'Donnell, "Controlling is the measurement of accomplishment against the standards and the correction of deviations to assure attainment of objectives according to plans."

Henry Fayol, "Control consists in verifying whether everything occurs in conformity, is with the plans adopted, the instructions issued and principles established. It has for its object to point out weaknesses and errors in order to rectify them and prevent recurrence,"

George R. Terry, "Controlling is determining what is being accomplished, that is, evaluating the performance and if necessary, applying corrective measures so that the performance takes place according to plans."

Robert N Anthony, "Management control is the process by which managers assure that resources are obtained and used effectively and efficiently in the accomplishment of an organisation's objectives."

Mary Cushing Niles, "Control thus viewed, is an aspect and projection of planning whereas planning sets the course to the chosen courses or to an appropriately changed one."

Haynes and Massie, "Control is any process that guides activity towards some predetermined goal. The essence of the concept is in determining whether the activity is achieved the desired results."

J K Rosen, "Control is that function of the system which provides direction in performance to the plans."

Dalton E Mc. Farland, "The presence in a business of that force which guides it to a pre-determined objective by means of pre-determined policies and decisions."

IMPORTANCE OF CONTROL

A good control system given the following importance to the management:

1. Adjustments in operation

Every organisation has certain objectives. These objectives are achieved only when the plans are properly implemented. If it is not done so, objectives are achieved only when the plans are properly implemented. If it is not done so, objectives cannot be achieved. Control provides a clue to find whether the plans are properly implemented to achieve the objectives. The deviations from standards are corrected immediately. Thus control makes necessary adjustments in operation.

2. Verification of policy

The management frames the policies and plans to help the organisation function smoothly. The organisational performance is reviewed in the light of these policies. The organisational performance might deviate from the organisation to deviate from the original plans. Constant review of plans helps to revise and update them. Thus, the management can verify the policy through the control process.

3. Managerial accountability

Managerial personal are assigned responsibilities from top to bottom. A superior may delegate his authority to his subordinates. But the superior is responsible (or accountable) for the performance of his subordinates even

after the delegation. It is quite natural that the superior has control over his subordinates. Besides, it is specified that the superiors should not misuse their authority. Control flows throughout the organisation from top to bottom as the existence of relationship between the superior and subordinates. Everyone, whether superior or subordinate, has responsibility for the work assigned to him.

4. Psychological pressure

Better performance is obtained by the management through the control process. It is achieved psychologically. The reason is that each person's performance is evaluated and linked with rewards. So, the employees will work hard to achieve the standard set for them.

5. Maintaining morality

Control creates an atmosphere of discipline in the organisation. Everyone is responsible for the work assigned to him. The workers are expected to make best efforts to complete the work and to the satisfaction of the management. These are not possible in the absence of control.

6. Co-ordination

Control gives unity of direction. Proper performance of all managerial functions is necessary to achieve co-ordination. A manager has to co-ordinate the activities of his subordinates with the help of control. Control helps to maintain an equilibrium between means and ends.

7. Efficiency

As responsibility is fixed for each individual, effective performance is possible. Control indirectly induces the employees to perform the work efficiently. They are well aware that defective performance is linked with punishment.

PROCESS OF CONTROLLING

Control points out the deviations of the plans and suggests remedial action to improve future plans. Some of the procedure are to be found defective

because of human limitations. So, control is necessary and it has following steps:

1. Establishing standards

It is necessary to find the results which are desired. It is very useful to setting the standards. If it is not, useful control will not be possible. Standards may be qualitative. Most of the standards are expressed in terms of quality. Number of units produced, number of men, hours employed. Total cost incurred, revenue earned, the amount of investments, etc. are some of the examples of qualitative standard. If expression of standards in qualitative terms is not possible, they will be expressed in qualitative terms such as goodwill, employee's morale, motivation, etc.

2. Measuring performance

The performance should be compared with the established standards. So, necessary information should be collected about the performance. The effective management information system provides the necessary information i.e., performance particulars. If standards are expressed in qualitative terms, qualitative information can be collected. In other words, if standards are expressed in qualitative terms, qualitative information can be collected. Several techniques are used by the management to measure the performance.

3. Comparison of actual with standards

Whenever the actual performance is compared with standards, the deviations are known to the management. Then, the management may find the extent of deviations and identify the reasons for deviations. Comparison is very easy when standards are expressed in terms of quantity. If results are intangible or qualitative, personal observation will be used to find out the extent of deviation.

When the actual performances are equal to the standards, there is no need for further action. Control process comes to an end with this stage. However,

if the standards are not achieved, the management has to decide the type of corrective action.

All the deviations need not be reported to the management. Deviations which are beyond the reasonable limits should be reported to the top management. This is termed as control by exception or management by exception. Then, the reasons and causes for the deviations are analysed. The cases may be controllable or non-controllable. The management has to take necessary corrective action only in case the causes are controllable. However, no need will arise to the management to take corrective actions if the causes are uncontrollable.

4. Taking corrective action

Management has to find out the causes of deviation before taking corrective action. The causes of deviation may be due to ineffective and inadequate communication, defective system of wage payment, defective system of selection of personnel, lack of proper training, lack of motivation, ineffective supervisions and the like. The management has to take necessary corrective action on the basis of nature of causes of deviations.
