

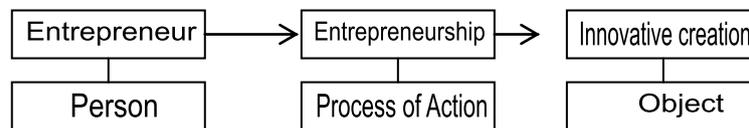
**UNIT – I**

The concept of Entrepreneurship has assumed prime importance for accelerating economic growth both in developed and developing countries. It is a basis of free enterprise. It promotes capital formation and creates wealth in the country. It is the hope and dream of millions of individuals around the world. It has the thrill of risk, change, challenge and growth. It builds wealth. It is a pathway to prosper. It reduces unemployment and poverty.

**MEANING OF ENTREPRENEURSHIP**

Entrepreneurship is the process of identifying opportunities in the market place, arranging resources required to exploit the opportunities for long term gains. It is creating wealth by bringing together resources in new ways to start and operate an enterprise. It is the process of planning, organising, operating and assuming the risk of a business venture. It is the ability to take risk independently to make more earnings in the market oriented economy.

It refers to a process of action an entrepreneurship undertakes to establish an enterprise. It is a creative and innovative skill and adapting response to environment. This concept can be seen in



**DEFINITIONS OF ENTREPRENEURSHIP**

After looking at various definitions of entrepreneurship, we can conclude the entrepreneurship.

- (1) **Classical View :** This view is expressed by classical economists like Cantillon, Frank Knight, Adam Smith, J.B. Say, J.S. Mill, David Ricardo etc. It involves:
  - a) ability to bear the risks and uncertainties of business.
  - b) ability to organize and co-ordinate productive resources.
  - c) Ability to convert productive resources into a productive entity through superintendence and control.
- (2) **Neo-Classical View:** This view is expressed by economists like Walters, Alfred Marshall and Joseph Schumpeter, According to this view, entrepreneurship is:
  - a) the ability to direction and control.
  - b) the ability to bring new changes.

This view applies to new developing economics.
- (3) **Modern View:** The new view of entrepreneurship is innovative. It is the ability:
  - a) to create changes to exploit them.
  - b) to explore and to maximise opportunities to obtain results.
  - c) to innovate new things and to create unique or at least distinct in a meaningful area.
  - d) to earn economic results only by leadership, not by mere competence.
  - e) to allocate resources to opportunities rather than problems.
  - f) to create effectiveness rather than efficiency.
  - g) to redirect resources from areas to low or diminishing returns to areas of high or increasing results and to optimize the yield from these resource.
  - h) to create tomorrow.

The concept of entrepreneurship is depicted in

**NATURE AND CHARACTERISTICS OF ENTREPRENEURSHIP**

The main features of entrepreneurship are described below:

- |                               |  |
|-------------------------------|--|
| 1. Economic                   | 7. Organising Function                     |
| 2. Creative and               | 8. Managerial and Leadership Function      |
| 3. Purposeful Activity        | 9. Knowledge based Practice                |
| 4. Risk bearing Capacity      | 10. Not a Personality Trait, but Behaviour |
| 5. Ability to Innovate        | 11. Based on Principles, not on Intuition  |
| 6. Business Oriented Tendency | 12. Essential in Every Activity            |

- |  |   |
|--|---|
| <p>13. Management is the Vehicle of Entrepreneurship</p> <p>14. Low Risk</p> | <p>15. It is not a Natural but an 'Achieved' Work</p> |
|--|---|

### IMPORTANCE AND BENEFITS OF ENTREPRENEURSHIP

The importance of entrepreneurship can be discussed in two ways:

#### A. Importance to the Entrepreneurs and the Common Man

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|--|---|
| <p>1. Provides Independence</p> <p>2. Means to Earn a Good Living</p> <p>3. Realising One's Full Potential</p> <p>4. Opportunity to Reap High Profits</p> <p>5. Enjoys Social Status</p> <p>6. Work as Fun</p> | <p>7. Hero Status</p> <p>8. Self-Reliant and Self-Sustaining Lifestyle</p> <p>9. Contributes to Women Liberty</p> <p>10. Offers Part-Time Job Opportunities</p> <p>11. Family Support</p> <p>12. Realising Dreams</p> |
|--|---|

#### B. Importance to the National Economy and Society

Entrepreneurship is basic source of productive economic energy. It fasters economic growth; it increases productivity; it creates new technologies, products, and services; and it changes and rejuvenates market competition. The significance of entrepreneurship to the national economy and society are :

- |   |  |
|---|--|
| <p>1. Dealing with Uncertainty</p> <p>2. Innovation</p> <p>3. Job Creation</p> <p>4. Managing resources</p> <p>5. Capital Formation</p> <p>6. Economic Growth</p> | <p>7. Technological Advancements</p> <p>8. Marketplace Change</p> <p>9. Contribution to Large Businesses</p> <p>10. Provides International Opportunities</p> <p>11. Social and Ethical Awakening</p> |
|---|--|

### Entrepreneur

The spirit of enterprise makes man an entrepreneur. An entrepreneur is a person who sets up business of an enterprise. He is one who has the capability of risk-bearing, initiative and skill for innovation. He looks for high achievements. He is a creative thinker; an individual who combines in himself the role of innovator is creative thinker, individual who combines in himself the role of innovator and risk-bearer. The word "entrepreneur" is derived from the French word entrepreneur. It means "to undertake". In the early 16th century, the Frenchman who organised and led military expeditions were referred to as 'entrepreneurs. Till 1800, this concept was used by French economists for adventurers, government contractors, architects, cultivators, trader—those who bough labour and material at uncertain priced and sold the resultant product at contracted prices, and those who risked capital in manufacturing. Later on, entrepreneur was considered as a coordinator who combined all means of production functions, and techniques. Schumpeter emphasized innovative aspect more than managerial aspect. To McClelland (1961) entrepreneur is one who liker to take reasonable risk, and who has high degree of need for achievement motivation.

### TYPES OF ENTREPRENEUR

Entrepreneurs are found in every system and in every form of economic activity. They are found amongst artisans, traders, importers, engineers, exporters, bankers, industrialists, farmers, forest workers, tribal's, professionals and so on. They are also found among politicians, theologizes, bureaucrats etc. The nature of entrepreneurs differs according to their functions.

The various types of entrepreneurs are classified on certain bases. Some important classifications are discussed below:

#### I. On the Basis of Stages of Economic Development

Clarence Danh of classifies entrepreneur into four type :

1. Innovative: An Innovating entrepreneur is one who introduces new products, new methods of production and new technology.

2. Imitative or Adoptive: Imitative entrepreneur is characterised by readiness to adopt successful innovation initiated by innovating entrepreneurs.
3. Fabian: Fabian entrepreneurs are lazy and shy. They lack the will to adopt new methods of production.
4. Drone: Drone entrepreneur is one who follows the traditional methods of production.

### II. On the Basis of Attitude and Knowledge

Author H. Cole classified entrepreneurs as :

1. Empirical : He hardly introduces anything revolutionary.
2. Rational : He introduces changes which look more revolutionary.
3. Cognitive : He draws upon the advice and services of experts. He introduces changes that reflect complete break from the present situations.

### III. On the Basis of type of Business Occupations

We may broadly classify them as follows :

1. Business Entrepreneur : They conceive an idea for a new product or services and then create a business to materialize their idea into reality. They exploit new business opportunity. They set up and promote business units.
2. Trading Entrepreneurs: They undertake buying and selling activities. They are not concerned with the manufacturing work.
3. Industrial Entrepreneur: He is product-oriented man. He makes long-run plans in terms of new products, tomorrow's markets and future growth. He converts resources into economic utilities and values.
4. Corporate Entrepreneur: Such an entrepreneur has vision and imaginative skill to organise and manage a corporate undertaking. He plans, develops and creates a corporate legal entity.
5. Agricultural Entrepreneur: Such entrepreneurs undertake agricultural activities. They raise and market crops, fertilisers and other inputs of agriculture.

### IV. On the Basis of Use of Technology

1. Technical: Such entrepreneur possesses technical expertise and know-how.
2. Non-Technical: He simply deals with developing alternative marketing and distribution strategies to promote his business.
3. Professional: Such entrepreneur is interested in establishing a business. He takes no interest in managing or operating it once it is established.

### V. On the Basis of Ownership

1. Private: Private entrepreneur is motivated by profit. He never enters those sectors of economy in which prospects of earning profit are discouraging.
2. Public: In the underdeveloped countries the government acts as entrepreneur and undertakes economic activities with the object of public welfare and prosperity. The government runs the enterprises to promote development of the country.
3. Joint: Joint enterprises is a partnership is an association of persons who have voluntarily joined together to achieve common economic ends. Its main object is rendering services to its members. Members make equitable contributions to the capital required.
4. Co-operative: Co-operative entrepreneurship is an association of persons who have voluntarily joined together to achieve common economic ends. Its main object is rendering services to its members. Members make equitable contribution to the capital required.

### VI On the Basis of the Scale of Entrepreneurs

1. Small Scale Resources: this entrepreneur is found in the underdeveloped countries. He does not possess the necessary abilities and resources to initiate large scale production. He is not able to introduce revolutionary technological changes.
2. Large Scale : Large scale enterprises are established in the developed countries. Big entrepreneurs possess huge capital resources, necessary technical and skill to introduce new production changes.

**VII. Other Types of Entrepreneurs**

1. Pure Entrepreneur : He is motivated by psychological and economic rewards. He starts activities for his personal satisfaction is work, ago or status.
2. Induced Entrepreneur : Such entrepreneur is induced to take up an entrepreneurial task due to the policy measures of the government.
3. Motivated Entrepreneur : Such an entrepreneur is motivated by the desire for self-fulfilment. He is also motivated by the desire for innovations and profit.
4. Growth Entrepreneur : These entrepreneurs choose an industry which has high growth prospects.
5. Super-Growth Entrepreneur : He is an individual who has shown enormous growth performance in has venture.
6. First-Growth Entrepreneur : He is one who starts an industrial unit by means of an innovative skill.
7. Modern Entrepreneur : He is one who undertakes those ventures which go well along with the changing demand in the market. He cares for the current marketing needs.
8. Intrapreneurs : It is the practice of beginning and developing new business ventures within the structure of an existing organisation. Intrapreneurs found their management not receptive to new ideas. Hence they left their parent organisation and started ventures of their own.
9. Copreneurs : It is related to the married couples working together in a business. When a married couple shares ownership, commitment and responsibility for a business, they are called ‘copreneurs’.
10. Young Entrepreneurs : Today young people are choosing entrepreneurship as their primary career path. They are setting the pace in starting businesses.
11. Part-Time Entrepreneurs : Starting a part-time business is a popular gateway to entrepreneurship. Part-time entrepreneurs can easily enter into business without sacrificing their service benefits. They have lower risk in case the venture flops. Many part-timers can test their “entrepreneurial skill” to see whether their business ideas will work or not.

**FUNCTIONS OF AN ENTREPRENEUR**

An entrepreneur performs all the necessary functions which are essential from the point of view of operation and expansion of the enterprise. The main functions of entrepreneur are as follows :

- |                                 |                    |
|---------------------------------|--------------------|
| 1. Planning                     | 5. Decision-Making |
| 2. Risk and Uncertainty Bearing | 6. Innovation      |
| 3. Organisation Building        | 7. Leading         |
| 4. Managing                     | 8. Managing Growth |

**CHARACTERISTICS OF SUCCESSFUL ENTREPRENEURS**

Considerable research has been dedicated to the task of identifying the traits and characteristics of the typical entrepreneur. According to John Hornaday the characteristics of successful entrepreneurs are as follows:

- |                                   |                                    |
|-----------------------------------|------------------------------------|
| • Self-confidence                 | • Dynamism, Leadership             |
| • Energy, diligence               | • Ability to get along with people |
| • Ability to take calculated risk | • Responsiveness to suggestions    |
| • Creativity                      | • Responsiveness to criticism      |
| • Flexibility                     | • Knowledge of market              |
| • Positive Response to Challenges | • Perseverance, determination      |

- 
- |   |  |
|---|--|
| <ul style="list-style-type: none"><li>• Resourcefulness</li><li>• Need to achieve</li><li>• Initiative</li><li>• Independence</li><li>• Foresight</li></ul> | <ul style="list-style-type: none"><li>• Profit orientation</li><li>• Perceptiveness</li><li>• Optimism</li><li>• Versatility</li><li>• Knowledge of product and technology</li></ul> |
|---|--|

### **Motivational Factors of entrepreneurship**

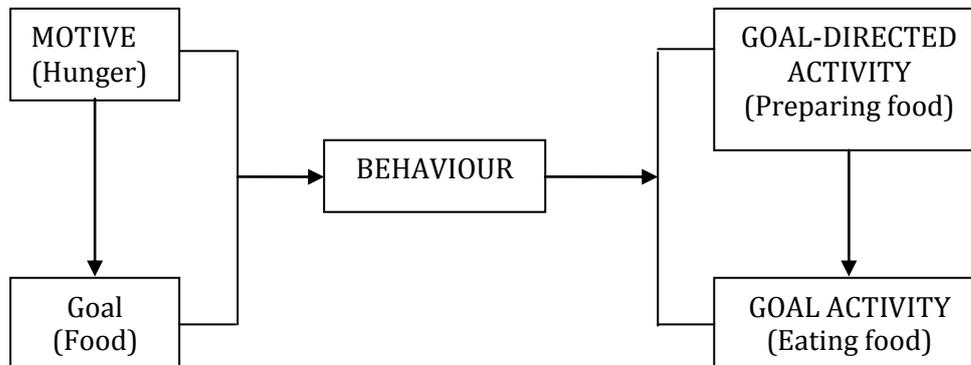
Motivation of entrepreneurs leads to the motivation of entrepreneurs. Main motivational factors of entrepreneurship are -

1. Internal Factors – The internal factors of motivation constitute the personality of the entrepreneur and thereby create an inclination to adopt entrepreneurship. internal factors which motivate the entrepreneurship are –
  - a. Educational background
  - b. Occupational experience
  - c. Willingness to do something new.
  - d. Willingness to work for betterness of hometown or nation.
  - e. Willingness to be technically and economically independent
  - f. family background
2. External Factors – Though presence of internal motivation factors is helpful in development of entrepreneurship in any country yet presence of internal factors can fruitify with the presence of external factors of motivation. The main external factors are -
  - a. Assistance from financial institutions
  - b. Assistance from state government and Central government
  - c. Availability of raw materials
  - d. Availability of trained and untrained labour
  - e. Availability of consultancy
  - f. Encouragement from public
  - g. Cooperation of heavy industries
  - h. Heavy demand for the product
  - i. Support of friends, relatives and other close persons.
  - j. Compelling conditions to adopt entrepreneurship.
  - k. Availability of sick industrial units at low prices.

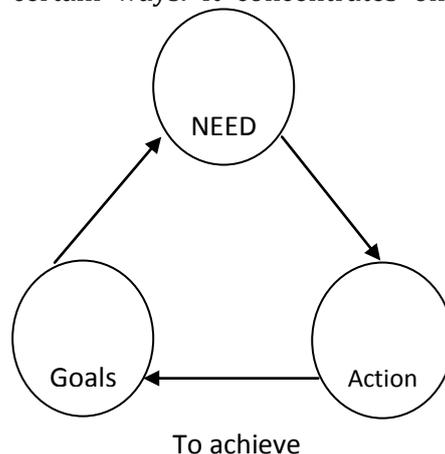
The role of external motivation factors in development of entrepreneurship is more effective than the role of the internal motivation factors.

**Unit - 2  
MOTIVATION**

The term motivation derives from the Latin Word mover, which means "to move". Motivation is the process by which behaviour is mobilized and sustained in it particular direction. It is in fact impossible to determine a person's motivation until the behaves or acts.



Motivation is an urge or inducement. It originates within an individual. It is the set of forces that cause people to behave in certain ways. It concentrates on factors that arouse or energize a person's activities.



1. Maslow's Need Hierarchy theory  
According to Abraham H. Maslow, the behaviour of a person or an entrepreneur is motivated by various needs which are as follows:
  - a. Physiological needs
  - b. Safety and Security needs
  - c. Social needs
  - d. Self-actualization needs
  - e. Ego noels
2. McClelland's Acquired needs 'theory  
According to David C. McClelland of Harvard University, USA, a person acquires three types of needs any time. In other words the needs are the result of life-experience. These needs are:
  - a. Need for affiliations which imply the desire to establish and maintain friendly and warm relations with others.
  - b. Need for power which means the desire to dominate and influence others by controlling their actions and the se of physical objects.
  - c. Need for achievement (N-Ach) which refers to the desire to accomplish something with one's own efforts. It is the urge to excel or the will to do well.

McClelland suggested that entrepreneurs have high need for achievement. People with high achievement motivation are characterized by the following:

1. They set moderate, realistic and attainable goals or targets.

2. They take calculated risks.
3. They prefer situations wherein they can take personal responsibility for solving problems.
4. They want concrete feedback on how well they are doing.
5. Their need for achievement exists not merely for the sake of economic reward for social recognition rather personal accomplishment is intrinsically satisfying to them.

### Motivation to achieve targets

The motivations which motivate an entrepreneur to achieve the targets are as follows:

1. Urgent needs
2. Desire to Compete others
3. Desire to being busy in target achievement
4. Ambition to become prosperous
5. Ambition for advancement nation

### Characteristics of Motivation

- |   |   |
|---|---|
| <ol style="list-style-type: none"> <li>1. Energetic force</li> <li>2. An internal feeling</li> <li>3. Goal-directed behaviour</li> <li>4. Either positive or negative</li> <li>5. Person in totality, not in parts, is motivated</li> <li>6. Individual differ in their motivation</li> </ol> | <ol style="list-style-type: none"> <li>7. Motivation is not always conscious and visible</li> <li>8. Motivations changes</li> <li>9. Individual phenomenon</li> <li>10. More than mere techniques</li> <li>11. Process-oriented</li> <li>12. Complex process</li> </ol> |
|---|---|

### Objects of Motivation

The primary-purposes of motivation in an organization are follows:

1. To submit employees to perform effectively
2. To channelize behaviour into a specific course
3. To understand individuals motives, needs, aspiration.
4. To encourage employees to stay with the organization.
5. To predict, to change, and even to control future behaviour
6. To create enthusiasm; initiative, - and loyalty.
7. To direct and sustain behaviour towards the accomplishment of organizational goals.
8. To effectively utilize the resources-financial, physical and human-of the Organization.
9. To raise the morale and level of satisfaction of employees.
10. To build good human relations and teamwork.

### Importance of motivation

- |  |  |
|--|--|
| <ol style="list-style-type: none"> <li>1. Achievement of organizational goals</li> <li>2. Crucial role in management</li> <li>3. Satisfaction of employees needs</li> <li>4. Creating enthusiasm and interest in work.</li> <li>5. High level of performance</li> <li>6. Low absenteeism and turnover</li> </ol> | <ol style="list-style-type: none"> <li>7. Effective utilization of resources</li> <li>8. Use of "complex man"</li> <li>9. Arranging job relationships</li> <li>10. Facilitates change</li> <li>11. Employing "whole man"</li> <li>12. Builds morale</li> </ol> |
|--|--|

### TYPES OF MOTIVATION

1. Negative and Positive Motivation
2. Extrinsic and Intrinsic Motivation
3. Financial and Non-financial motivation

### ESSENTIALS OF A SOUND MOTIVATION SYSEM

Koontz and O' Donnell write that "a sound motivational system must be productive, competitive, comprehensive and flexible. Broadly speaking, a sound motivational system has the following elements:

- |  |                                     |
|--|-------------------------------------|
| 1. Proper diagnosis                      | 6. Challenging and attainable goals |
| 2. No overnight results                  | 7. Role of money                    |
| 3. Sound reward system                   | 8. Active cooperation of employees  |
| 4. Manager is the key element            | 9. Work culture                     |
| 5. Recognition of individual differences | 10. Dynamic system                  |

### **Motivation to Achievement Targets**

A person may have tremendous capacity to work, but his capacity would be of no use unless he is willing to work. To stimulate a person's willingness to work, can be called motivation. Motivation includes all those activities which can successfully invoke a person's willingness to work more efficiently and effectively. For development of an organization it is essential that the people working in the organization are motivated to contribute their best. Motivation plays a significant role in getting Work done from the people. The importance of motivation can be given as follows:

1. Attainment of Organizational goals
2. Development of Cordial Human Relations
3. Maintain Competent Persons in the organization
4. Boosting Morale, of the Employees
5. Increase in the Productivity of Workers
6. Reduction in the Cost of Production.

### **Objective or Advantages of Targets Setting**

1. Clearly defines target have a big role in designing planning. No planning is possible without well defines targets.
2. A well-defined set of targets help in the process of coordination and direction of activities of the employees of an organization.
3. Targets help to define unproductive i.ad unwarranted activities
4. Targets motivate people and management.
5. Targets lay down the parameters to evaluate performance of an organization.
6. Targets help in the process of controlling business operations.
7. Management by objective entirely on definition of targets.

### **Essential of targets or Targets Setting**

When setting targets, it is important to consider the following essentials of good target

1. The targets should be 'SMART' that is, they should be Specific, Measurable, Achievable, Realistic and Times bound.
2. The targets should be definite, clear simple and easy to understand.
3. The targets should be in accordance with the overall objectives of the organization.
4. The targets should be practical and stable but should be able to become flexible at the time of need.
5. The targets should incorporate all the eventualities which may possible confront the organization.
6. The targets should consider all relevant fact influencing the organization
7. The targets should be in consonance with the public interest and common good.
8. The targets should prescribe detailed objectives and should not simply give general statements.
9. The targets should be in writing
10. The targets should provide for present and future activities.

### **Resolving Problems and Creativity**

Following are the various features of problems resolving:

1. Problems resolving is undertaken for the fulfillment of predetermined objectives.
2. Problems resolving is a human function.
3. Problems resolving involves use of rational and logic.

4. Problems resolving includes selection of the best solution amongst various alternatives available.
5. Problems resolving may relate to doing something or not doing something
6. If necessary, advice of experts may be sought, in the Process of problem resolving.
7. Problems resolving can be done by an individual or by a committee.
8. Time is an important factor of problem resolving, as it requires right decision at the right time.

#### Steps Involved in Problem Resolving Process

- |  |  |
|--|--|
| 1. To understand the Problem                         | 4. Evaluation of alternatives          |
| 2. Analysis of Problem                               | 5. Selection of the Best Alternative's |
| 3. Determining and Developing Possible Alternatives. | 6. Execution of Decision               |
|  | 7. Review and Revision                 |

#### CREATIVITY

##### Meaning of Creativity

Creativity is the ability to bring something new into existence. It is sometimes considered as synonym for innovation, which refers to the translation of an idea into implementation. Creativity requires a person to develop new alternatives and offer new innovation solutions for different scenarios. This can be done either by adding new product features, cutting costs, automation of process or just simplifying Orations. Creativity helps the entrepreneurs in finding solutions to the problems, handle adversity and exercise control over business. It thus, helps the individuals not only in doing different things differently.

##### Process of Creativity

- |                              |                       |
|------------------------------|-----------------------|
| 1. Desire                    | 4. Idea Generation    |
| 2. Information & Preparation | 5. Idea Verification  |
| 3. Incubation                | 6. Outcome Assessment |

##### Establishment of Ideas

The business ideas are generated internal and external sources.

##### Business Ideas from Internal sources

1. The idea of new designing of product
2. The idea of producing substitute product
3. Idea of setting new service industry
4. Idea of conservation and processing agriculture and food articles
5. Idea of optional use of natural resources
6. Idea of quality improvement
7. Idea of new process of marketing

##### Business ideas from External Sources

1. List of items reserved by the Central and State Government for exclusive production in the small sector
2. Items reserved exclusively purchase from small scale industries under the Central Store Purchase Programme of the Government
3. Professional journals, trade journals, etc. catering to particular interest such as electronics, components, oil and vanaspati.
4. Success stories of entrepreneurs,
5. Trade fairs and-exhibitions displaying new products.
6. Government agencies like SIDO, NSIC etc.
7. Market surveys to know new trends in fashions.

8. Technical and management consultants.
9. Project profiles for various small scale industries

The external sources too help in generation of ideas.

An entrepreneur should evaluate all the business ideas generated from Internal and external sources and select the most appropriate and profitable ideas. Thus establishment of ideas takes Place.

### SETTING TARGETS

Selection of target should be done very carefully. For setting the target, proper selection of target is very essential. Main components of such environment which should be taken into mind before setting the target are as follows:

1. Priorities and policies of the government.
2. Assistance and facilities offered by various states.
3. Various organizations assisting entrepreneurs
4. Incentives for starting industry.
5. Government store purchase programmes.
6. Licensing and registration requirements.
7. Policies and regulations concerning imports and exports, excise and sales tax, factories Act. foreign collaborations, etc.

### FACING CHALLENGES

The challenges to be faced by any entrepreneur are as follows:

1. Arrangements of finances
2. Procurements of land/ shed
3. Shortage of raw material
4. Shortage of trained and untrained labour
5. Un continuous supply of electricity
6. Insufficient sale of products
7. Labour strikes and closures

Maintaining foresightedness, patience, courage, balance of mind, discarding shyness, hesitation, taking guidance of consultancy firms and assistance from governmental and non-governmental institutions entrepreneurs can easily face all the challenges coming in their way

### COMMUNICATION

The word communication has come from Latin Word "communicate" which means common/ share. The primary element in the skill of management is communication. It is a tool with which we exercise Influence on other, bring, about changes in the attitudes and views of our associates, motivate them and establish and Intimate relation with them.

#### Characteristics of Communication

1. Unintentional and intentional
2. A dynamic Process
3. Systematic Process
4. Interactive and transitive

#### Communication Process

The-communication of process consists of the components.

#### Sources

This is the sources of information or the initiator of communication. This source of the message sender may want to communicate his ideas, needs, intentions or other piece of information.

#### The message

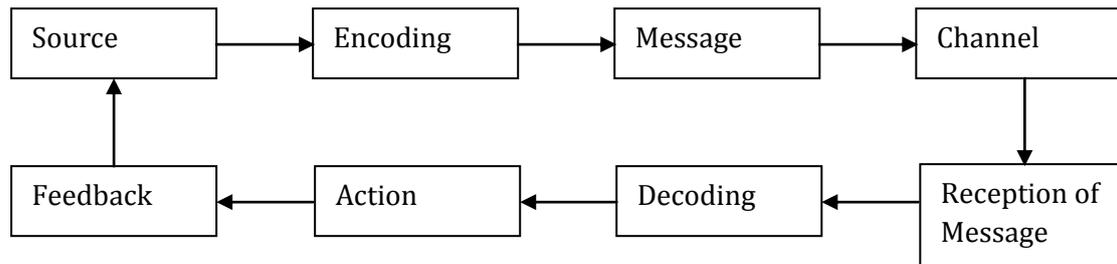
The message is the physic form of the though which can be experienced and understood by one or more senses of the receiver. It could be in such forms thin requires either hearing, reading or other forms of gestures.

**Encoding**

Encoding is the process inside the human mind or brain in the form of motor skills muscle System or sensory skills that encode the ideas to be conveyed into a series of symbols or gestures or some other format of gestures.

**Channel of Communication**

The vehicle used in the transmission of the message is called channel of communication. It is a medium carrier which bridges the gap between the sender and the receiver. It may be a face-to face conversation, a telephone conversation, in which form or through any other form of physical gesture.



**Decoding Process**

Decoding is done in the same manner as encoding by motor skills, muscles system and sensory skills and receiver decodes the message for the purpose of interpreting and understanding the meaning of the message. The more the sander's intended message matches, the receivers understanding the more effective the communication is.

**Action**

This is response from the receiver who as received and accepted the communication. This may involve compliance with an Instruction and action upon, it or simply filing of the message for future referenced.

**Feedback**

A feedback determined whether the message was clearly understood and the required and taken. The feedback of the sender completes the process of communication.

**Essential of good Communication**

1. Clarity – Clarity of idea, facts, and opinion in the mind of communication should be clear before communication. It is a thinking process to conceive the subject.
2. Information: - All Communication contains information while all information cannot communicate a message.
3. Completeness: - The subject matter to be communicated must be adequate and full so that receive set the message.
4. Emphasis on Attention: - Effective communication is one in which receiver interest is created and they should pay proper attention to the message.
5. Consistency: - The message transmitted should not be contradictive.
6. Simplicity – Avoid using superfluous' words unnecessary prepositions, jargon
7. Follow up on Communication: - The language should be simple & only Common-words are used.
8. Support words with deeds
9. Be a good listener
10. Credibility
11. Context: - The communication program must square with the qualities of its environment.
12. Content: - The message must have meaning for the receiver.
13. Capability: - Communication must take into account the capability of the audience.
14. Channels: - Channel of communication should be used according in receivers respects.

**LEADERSHIP**

Leadership is a dynamic force in management. It directs and integrates the work efforts. It is the leader who influences the behaviour of others and ensures the success of organization.

### **CONCEPT OF LEADERSHIP**

Leadership has three main meanings-First, it is an attribute of a particular position. Second, it is the trait of personality or characteristics of a particular person. Thirdly, leadership is a kind of behaviour, it is the way or style of influencing others. In simple words, leadership is the process of directing others towards the accomplishment of goals. It is the ability to influence the behaviour of others to accomplish particular goals.

Thus, leadership and interpersonal process of directing and influencing the behaviour of others towards the attainment of particular goals.

### **NATURE OR CHARACTERISTICS OF LEADERSHIP**

1. Personal ability
2. Followership
3. Influencing behaviour
4. Interpersonal relationship
5. Mutual goals
6. Its essence is performance
7. Exemplary conduct
8. Leadership is situational
9. Assumption of responsibility
10. Importance of communication
11. All managers are not leaders
12. Leadership may be formal or informal
13. Four-faceted concept
14. Process

Its outcome is some form of goals accomplishment.

### **FUNCTIONS OR TASKS OF A LEADER**

Some important functions of a leader are

1. Formulate purpose
2. Inspire and initiate actions
3. Administer the organization
4. Interpret Reasons
5. Represent the institution
6. Group interaction
7. Goal accomplishment
8. Develop teamwork
9. Direct and discipline the employees
10. Ordering of internal conflict
11. Defend the organization's integrity
12. Maintain stability