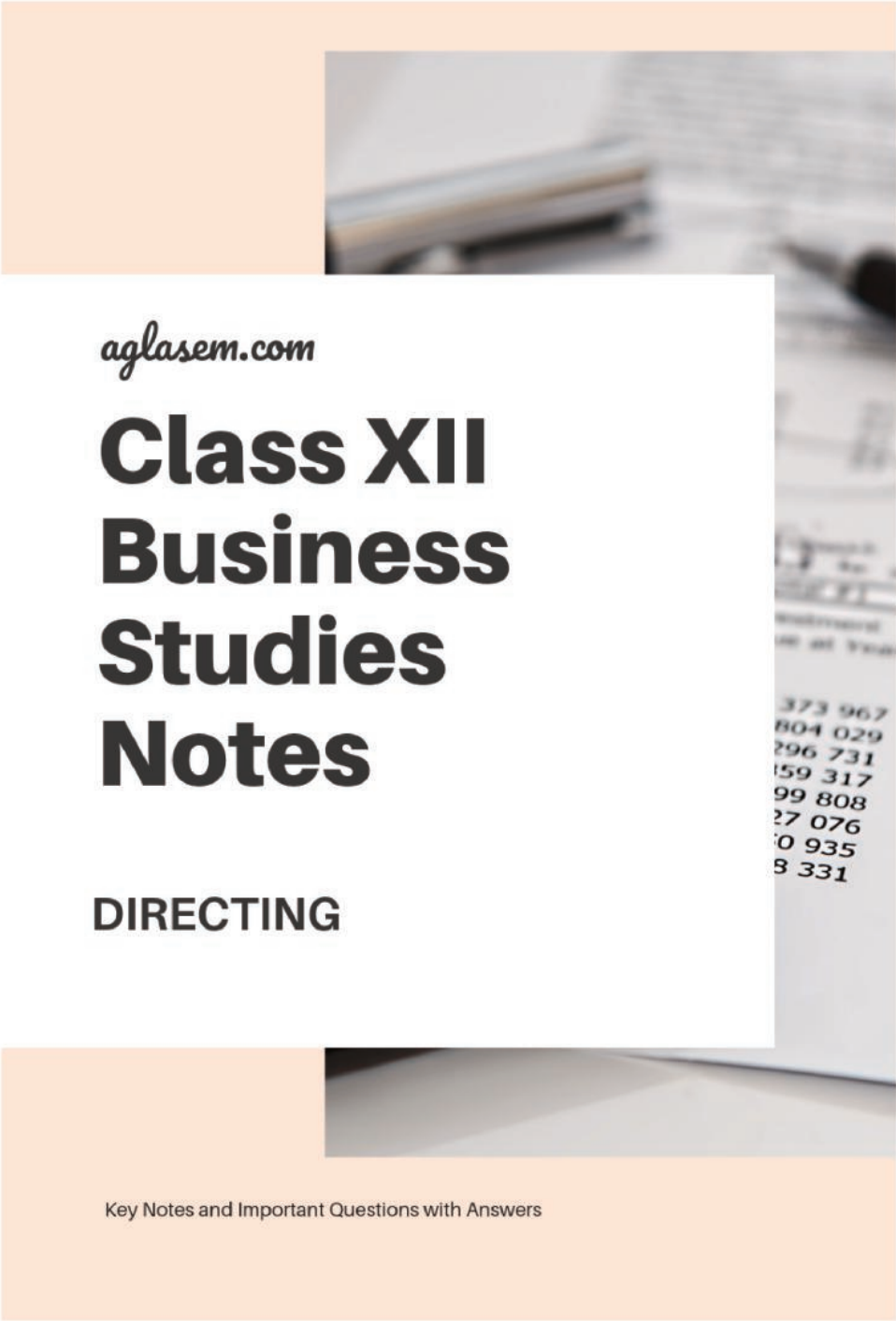




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Class XII Business Studies Notes

DIRECTING

Key Notes and Important Questions with Answers

CHAPTER – 7

DIRECTING

Meaning

Directing as a function of management, refers to the process of instructing, guiding, counselling, motivating and leading people in the organisation to achieve its objectives. It is the force which gives the life to the organisational structure.

Directing comprises of:

- a) Issuing orders by a superior to his subordinates.
- b) Supervising the employees when they are performing job.
- c) Motivating them to perform more effectively.
- d) Leading them towards the achievement of overall goals of the concern.

Features:

1. **Directing initiates action:** The other functions of management prepare a set-up base for action, but directing initiates action in the organisation.
2. **Directing takes place at every level of Management (Pervasive):** Every manager from top executive to supervisor performs the function of directing.
3. **Directing is a continuous process** of supervision, communication, leadership and motivation. It continues throughout the life of the organisation.
4. **Directing flows from top to bottom:** It is initiated at the top level and flows to the bottom through organisational hierarchy.

Importance

1. **Initiates Action:** It helps to initiate action by the people in the organisation towards attainment of desired objectives. The employees start working only when they get instructions and directions from their superiors. It is the directing function which starts actual work to convert plans into results.

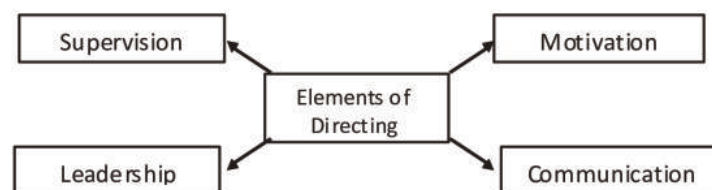
2. **Integrates Employee's Efforts:** All the activities of the organisation are interrelated so it is necessary to coordinate all the activities. It integrates the activities of subordinates by supervision, guidance and counselling.
3. **Means of motivation:** It motivates the subordinates to work efficiently and to contribute their maximum efforts towards the achievement of organisational goals by satisfying their needs.
4. **Facilitates change:** Employees often resist changes due to fear of adverse effects on their employment and promotion. Directing facilitates adjustment in the organisation to cope with changes in the environment. Directing instills the spirit of cooperation and commitment among work force.
5. **Stability and balance in the organisation:** Managers while performing directing function instruct, guide, supervise and inspire their subordinates in a manner that they are able to strike a balance between individual and organisational interests.

Q.1 A nationalised Indian bank is going to introduce some major changes in accordance with directions of RBI. Workers under influence of Trade Union are showing resistance as they fear losing their job. Which function of management can remedy the situation? (1)

Q.2 'Look Good Cosmetics Ltd' offers commission to its sales manager in addition to the fixed salary. To earn more commission, the manager wants to increase sales. He recommends management to introduce the scheme of "one nail paint free when buying three lipsticks." But higher officials reject the scheme as this may cause loss to the firm. Which function of management can solve the clash? (1)

[Hints- (1) Directing, (2) Directing]

Elements of Direction



1. **Supervision:** It means observing the subordinates at work to see that they are working in accordance with plans and to help them in solving their problems. The important thing in supervision is that it involves face to face contact between superiors and subordinates. Supervisor's position is immediately above the worker.
2. **Motivation:** In the context of an organisation motivation means stimulating employees of all levels to work with greater enthusiasm and more efficiency for the accomplishment of the objectives of the enterprises. It involves arousing needs and desires in people so as to initiate and direct their behaviour in a purposive manner.
3. **Leadership:** Leadership is the activity of influencing people to strive willingly for organisational goals. Leadership indicates the ability of an individual to maintain good interpersonal relations with followers and motivate them to contribute for achieving organisational objectives. Managers at all levels are expected to be the leaders of their subordinates.
4. **Communication:** It is the process of exchange of information between two or more persons to reach common understanding.

Q.3 Mr. Khanna has recently joined an 'Interior Decoration' firm after completing MBA from America. He feels human resources are the most important resources in the company. So,

- (i) It is important to develop mutual understanding amongst them to inculcate the sense of co-operation and coordination.
- (ii) There is a need to monitor their progress and guide them
- (iii) They need to be induced and stimulated to act in desired manner.
 - a) Identify which function of management is referred above.
 - b) Name the elements of function (in (a)).

(2)

[Hints- (a) Directing, (b) Supervision, Motivation Leadership Communication]

Supervision

I. Importance of Supervision/Role of a Supervisor /Functions

1. **Link between workers and management** because the supervisor explains management policies to workers and brings workers problems to the notice of the management.
2. **Ensures issuing Instructions:** To make sure that the instructions are communicated to each and every employee.
3. **Facilities Control:** Control means match between actual and planned output. It ensures checking on the methods in use and progress of work according to planned schedule.
4. **Maintenance of discipline:** The strict supervision and guidance of supervisor encourages the employees and workers to be more disciplined in the activities.

Under the guidance of superior the workers follow a fixed or strict time table and execute the plans in right directions.

5. **Feedback:** The supervisors are directly dealing with the subordinates. As a result, feedback in the form of suggestions, grievances keep coming to the management. It improves quality of management decisions and revision of plans & policies.
6. **Improved Motivation:** A supervisor with good leadership qualities can build up high morale among workers.

The relationship with the supervisor is a very good incentive to improve the motivation level of the employees while guiding the employees, the supervisors encourage the subordinates to perform to their best capacities.

7. **Optimum utilisation of resources** :All the activities are under the observation of supervisor so less wastage and optimum utilisation of resources is possible.

Q.4 Mr. Banerjee keeps on checking the workers at work. He provides “on the job Training” wherever required. At which level of management Mr. Banerjee working?

Q.5 Mr. John always explains managements' policies to workers, brings workers problems to the notice of management. He always motivates the workers. He is friendly but maintains discipline. Which post is Mr. John working?

[Hints- (4) Lower level, (5) Supervisor]

II. Motivation

Meaning:It is the process of stimulating people to act to their best ability to accomplish desired goals.

Motivation means inspiring the employees to work with greater enthusiasm and more efficiency for the accomplishment of the objectives of the enterprise. It involves arousing needs and desires in people so as to initiate and direct their behaviour in a purposive manner.

Bridging the gap between ability to do a certain work and willingness to do a certain work- Motivation.

Features

- 1. Motivation is an Internal feeling:**Motivation is an internal feeling which means it cannot be forced on employees. The internal feeling such as need, desire, aspiration etc. influence human behaviour to behave in a particular manner.
- 2. Goal Directed Behaviour:**It induces people to behave in such a manner so that they can achieve their goals. A motivated person works towards the achievement of desired goals.
- 3. Motivation can be either positive or Negative:**Positive motivation means inspiring people to work better and appreciating a work that is well done e.g., pay increase, promotion, recognition. Negative motivation means forcing people to work by threatening or punishing them. e.g., issue of memo, demotion, stopping increments etc.

4. **Complex Process:** It is a complex and difficult process. Individuals differ in their needs and wants and moreover human needs change from time to time.
5. **Continuous Process:** Human needs are unlimited and so they keep on changing continuously, satisfaction of one need gives rise to another. As soon as one need is satisfied another need arises. So managers have to continuously perform the function of motivation.

The importance of motivation can be pointed out by the following benefits:

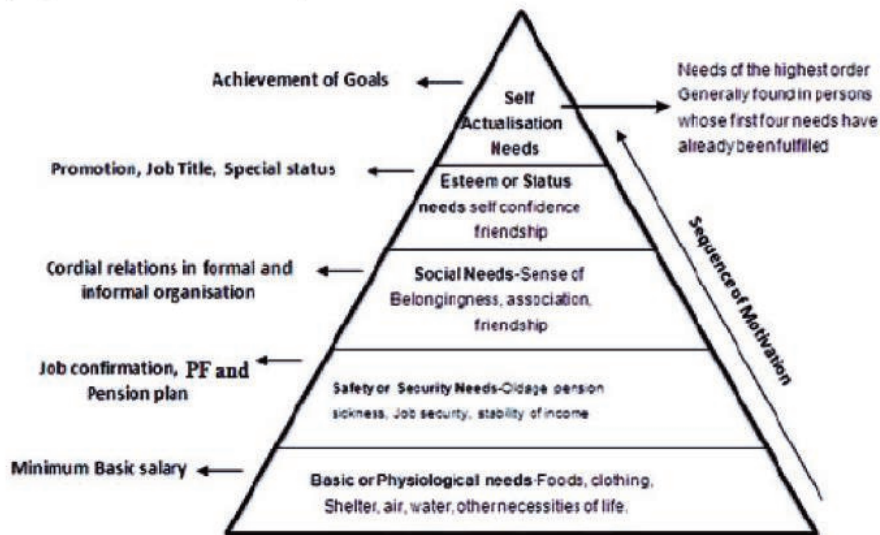
- a) Motivation helps to improve performance levels of employees as well as the organisation.
- b) Motivation helps to change negative attitudes of employee to positive attitudes.
- c) Motivation helps to reduce employee turnover.
- d) Motivation helps to reduce absenteeism in the organisation.
- e) Motivation helps managers to introduce changes smoothly without resistance from employees.

Maslow's Need Hierarchy-Theory of Motivation: Maslow's Theory focuses on the needs as the basis for motivation. It classifies human needs into five categories.

It helps managers to realise that need level of employees should be identified to provide motivation to them. It is based on the following assumptions:

- (i) People's behaviour is based on their needs.
- (ii) People's needs are in hierarchical order.
- (iii) A satisfied need can no longer motivate a person.
- (iv) A person moves to the next higher level of hierarchy only when the lower need is satisfied.

Organisational examples



Pyramid representing Maslow's Need Hierarchy

Financial and Non-Financial Incentives: Incentive means all measures which are used to motivate people to improve performance.

Financial Incentives (which can be calculated in terms of money)

1. **Pay and allowances:** Salary is the basic monetary incentive. It includes basic pay, dearness allowance and other allowances.
2. **Productivity linked wage incentives:** Aims at linking payment of wages to increase in productivity.
3. **Bonus:** An incentive offered over and above the wages/salary.
4. **Profit sharing:** It means to provide a share to employees in the profits. It creates a feeling of ownership to employees.
5. **Co-partnership/Stock option:** employees are offered company's share at a price which is lower than market price.

6. **Retirement benefits:** Such as provident fund, pension and gratuity etc.
7. **Perquisites:** Such as car allowance, medical help etc. these measures help to provide motivation to the employees.

Non-Financial Incentives (which cannot be calculated in terms of money)

1. **Status:** Status means ranking of positions in the organisation. Psychological, social and esteem needs of an individual are satisfied by the status given to their job.
2. **Organisational climate:** Employees can be motivated with favourable atmosphere.
3. **Career advancement opportunity:** Works as a tonic and encourages employees to exhibit improved performance.
4. **Job enrichment:** If jobs are enriched and made interesting, the job itself becomes a source of motivation to the employees.
5. **Employees recognition programmes:** Most employees feel that what they should be recognised by the higher authorities.
6. **Job security:** Employees want their job to be secured and it is a strong motivator but on the other hand it makes the employees lazy.
7. **Employee participation:** It means involving employees in the decision making.
8. **Employee empowerment:** Means giving more autonomy and powers to subordinates.

Q.6 Rahul is an engineer in Jacob Ltd. He works very hard and it is observed by Production Manager. But he never appreciates the efforts of Mr. Rahul. Name the element of Direction not exercised by production Manager.

Q.7 Zumroo was working as a clerk in Hindustan Ltd. since last three and a half years. He was working with full diligence. His boss noticed his performance and gave him "Confirmation letter". Which kind of Zumroo's need was satisfied?

[Hints- (6) Motivation, (7) Security Needs]

III. Leadership

Leadership is the activity of influencing people to strive willingly for mutual objectives. Managers at all levels are expected to be the leaders of their subordinates.

Leadership indicates the ability of an individual to maintain good interpersonal relations with followers and motivate them to contribute for achieving organisational objectives.

Features of leadership

- a) Leadership indicates ability of an individual to influence others.
- b) Leadership tries to bring change in the behaviour of others.
- c) Leadership indicates interpersonal relations between leaders and followers.
- d) Leadership is exercised to achieve common goals of the organisation.
- e) Leadership is a continuous process.

Styles of Leadership.

A leader may use all styles over a period of time but one style tends to predominate as his normal way of using power.

Different types of leadership style are as follows:

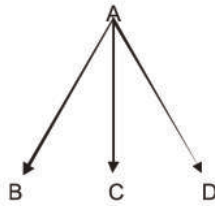
I. Autocratic or Authoritarian Leader

An autocratic leader gives orders and insists that they are obeyed. He determines the policies for the group without consulting them.

He does not give information about future plans but simply tells the group what immediate steps they must take.

Under this style, all decision making power is centralized in the leader. He does not give the subordinates any freedom to influence his decisions.

It is like "bossing people around." This style should normally be used on rare occasion.



A is the leader – (Boss – Centered – Leadership)

When should authoritarian leadership be applied?

- It is best applied to situations where there is little time for group decision making.
- Or where the leader is the most knowledgeable member of the group.

Q.8 Mr. Khanna, Manager (Operation) is always bossing people around. He never consults his team and does not pay heed to their problems, which style of leadership is he following?

Q.9 Charu says leadership is required only for less efficient subordinates while Chanda says that leadership is required for all. Who is correct? Why?

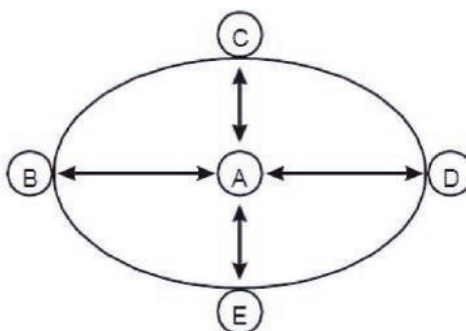
[Hints- (8) Autocratic Style, (9) Chanda, even efficient subordinates need direction.]

2. Democratic or Participative Leader

Democratic leader gives order only after consulting the group and works out the policies with the acceptance of the group.

He never asks people to do things without working out the long term plans on which they are working. He favours decision making by the group as shown in the diagram. This improves the attitude of the employees towards their jobs and the organization thereby increasing their morale.

Using this style is of mutual benefit - it allows them (subordinates) to become part of the team and helps leaders (seniors) to make better decisions.



A is the leader (Group Centered-Leadership)

When should Participative/democratic leadership be applied?

- It works best in situations where group members are skilled and eager to share their knowledge.
- It is also important to have plenty of time to allow people to contribute, develop a plan and then vote on the best course of action.

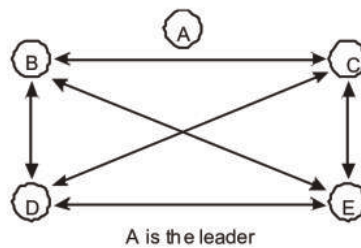
This style should NOT be used:

In situations where roles are unclear or time is of the essence, democratic leadership can lead to communication failures and incompleted projects.

3. Laissez Faire or Free Rein Leader

Free rein leader gives complete freedom to the subordinates. Such a leader avoids use of power. He depends largely upon the group to establish its own goals and work out its own problems. Group members work themselves as per their own choice and competence. The leader exists as a contact man with the outsiders to bring information and the resources which the group requires for accomplishing the job.

Note: This is also known as laissez faire which means no interference in the affairs of others. [French laissez means to let/allow fair means to do].



(Subordinate - Centered - Leadership)

When should laissez faire/free rein leadership be applied This is an effective style to use when:

- Followers are highly skilled, experienced and educated.
- Followers have pride in their work and the drive to do it successfully on their own.
- Outside experts, such as staff specialists or consultants are being used.
- Followers are trustworthy and experienced.

This style should NOT be used when:

- Followers feel insecure at the non - availability of a leader.
- The leader cannot or will not provide regular feedback to his followers.

Q.10 In Manik Ltd., selection process is very fair, scientific and standardised. Competent, laborious employees with good work culture are selected. As a result, subordinates are efficient, responsible and take initiative in every activity. Which kind of leadership style would be suitable in Manik Ltd.

Q.11 Pramod was a supervisor at 'Annapurna Aata' factory. The factory was producing 200 quintals of aata every day. His job was to make sure that the work goes on smoothly and there was no interruption in production. He was a good leader who would give orders only after consulting his subordinates and work out the policies with the acceptance of the group. Identify and describe the leadership style being adopted by Pramod. (3)

Q.12 Alok is view supervisor of Ram, Rahim and Khan. He consults all his subordinates while framing work schedules. They provide suggestions and Alok considers such suggestions if they are productive. Which leadership style is followed by Alok? What would be the benefits of such leadership style to the organisation. (3)

Q.13 Ekta is a very strict foreman. She punishes late comers by reporting negatively in observation reports of workers. Due to which the wages of those workers who come late, decline considerably. Which kind of motivation is applied by Ekta? Do you think, by doing so, the late comers can be regulated? Explain. (3)

[Hints- (10) Laissez Faire, (11) Democratic Style, (12) Democratic, Increases morale, better decisions, (13) Negative motivation. No because positive motivation is more effective]

Communication

It is the process of exchange of information between two or more persons to reach common understanding.

Communication plays key role in the success of a manager. Directing abilities of manager mainly depend upon his communication skills. That is why organization always emphasizes on improving communication skills of managers as well as employees. Communication is important for the directing function because all other elements of directing become possible only when there is adequate communication.

Elements of Communication Process

1. **Sender:** Who conveys his thoughts or ideas.
2. **Message:** Ideas, feelings, suggestions, order etc.
3. **Encoding:** Converting the message into communication symbols such as words/pictures etc.
4. **Media:** Path/Channel through which encoded message is transmitted to receiver e.g., face to face, phone call, internet etc.
5. **Decoding:** Converting encoded symbols of the sender.

6. **Receiver:** Who receives communication of the sender.
7. **Feedback:** All those actions of receiver indicating that he has received and understood the message of the sender.
8. **Noise:** Some obstruction or hindrance to communication like poor telephone connection, inattentive receiver.

Importance of Communication

1. **Acts as basis of coordination:** It provides coordination among departments, activities and persons in the organisation.
2. **Helps in smooth working of an enterprise:** communication is basic to an organisation existence right from its birth through its continuing life.
3. **Act as basis of decision making:** Communication provides needed information for decision making.
4. **Increases managerial efficiency:** Communication is essential for quick and effective performance of managerial functions.
5. **Promotes cooperation and Industrial Peace:** The two-way communication promotes cooperation and mutual understanding between the management and workers and brings peace in the organisation.
6. **Establishes effective leadership:** Effective communication helps to influence subordinates. While influencing, a leader should possess good communication skills.

Q14. You are working as Human Resource Manager. General Manager sent a message to you, which you received and understood well. Is the communication process complete? Give reason. (1)

Q15. Give one example of 'Noise' in the process of communication. (1)
Communication taking place within an organisation may be broadly classified into two categories.

[Hints- (14) No, feedback should be given, (15) Poor telephone connection]

- I. **Formal Communication:** refers to official communication which takes place following the chain of command. Classification of formal communication-
 1. **Vertical Communication:** Flows vertically i.e., upwards or downwards through formal channels.
 - (i) Downward Communication: Higher to lower level like plans, policies, rules etc.
 - (ii) Upward Communication: Subordinate to superior like suggestions, grievances, reports etc.
 2. **Horizontal/lateral Communication:** between persons holding positions at the same level of the organisation e.g., production manager may contact marketing manager about product design, quality etc.

Merits and demerits of formal communication

Merits :

1. Orderly flow of information
2. Easy knowledge of source of information
3. Fixation of responsibility
4. Easy in control

Demerits:

- | | |
|------------------------------|---------------------|
| 1. Slow process | 3. Rigidity |
| 2. Lack of personal interest | 4. Overload of work |

- II. **Informal Communication:** Communication that takes place without following the formal lines of communication is said to be informal communication. There is no fixed direction or path for the flow of information. It is based on informal relations and arises out of personal and social needs of the employees.

Merits and demerits of Informal communication

Merits :

1. Fast communication
2. Improved relation
3. Social satisfaction
4. Fill the gaps

Demerits :

1. Misrepresentation of messages
2. Carry rumours
3. Unorganised and irregular
4. Leakage of important facts

Difference between Formal & Informal Communication

Basis	Formal Communication	Informal Communication
1. Meaning	Follows the official chain of command	Between individuals and groups which are not officially recognised.
2. Channel	Through a definite path	No definite path.
3. Speed	Slow: because all information has to pass through an established scalar chain.	Very fast - Cuts across all the official channels.
4. Nature	More rigid and cannot be modified	Flexible and varies from individual to individual.
5. Expression	It is mostly expressed in written form.	It mostly tends to be oral.
6. Purpose	Achieve organisation goals.	Meet personal and social needs of employees.

Barriers to Effective Communication [Categories]

Semantic Barriers: Concerned with problems and obstructions in the process of encoding or decoding of message into words or impressions. Semantic barriers are as follows:

1. Badly expressed message: Sometimes intended meaning may not be conveyed.
2. Words with different meanings confuses the receiver.
3. Faulty translations may transfer wrong messages.
4. Unclear assumption: Different interpretations may result in confusion.
5. Technical Jargon: Technical words may not be understood by the workers.

Psychological/Emotional barriers

1. Premature evaluation-judgement before listening leads to misunderstanding.
2. Lack of attention/poor listening may disappoint the employees.
3. Loss by transmission and poor retention: When oral communication passes through various levels it destroys the structure of the message or leads to transmission of inaccurate message.
4. Distrust: If the parties do not believe each other. They cannot understand each other's message in its original sense.

Organisational Barriers

Factors related to organisation structure:

1. If organizational policy does not support free flow of information it creates problem.
2. **Rules and regulations:** Rigid rules and regulations may lead to red tapism and delay of action.
3. Status conscious managers may not allow subordinates to express their feelings freely.
4. Complexity in organization structure results in delay and distortion.

Personal Barriers: of superiors and subordinates.

1. Fear of challenge to authority may withhold or suppress a particular communication.
2. Lack of confidence of superior in his subordinates.
3. Unwillingness to communicate. e.g., fear of punishment/demotion.
4. Lack of proper incentives stops the subordinates to offer useful suggestions.

Improving Communication Effectiveness

1. Clarify the ideas before communication.
2. Communicate according to the needs of receiver.
3. Consult others before communicating.
4. Be aware of language, tone and content of message.
5. Ensure proper feedback. Feedback provides opportunity for suggestions and criticism.
6. Follow up communication helps to remove hurdles, misunderstanding of information given by managers to subordinates.
7. Be a good listener.

QUESTIONS FOR PRACTICE

- Q.1** Following communications indicate barriers to effective communication. Identify them and also mention the measures to be taken to improve the effectiveness of communication:
- a) The National Sales Manager during his visit to the southern zone, spoke to the sales managers in Hindi.
 - b) During a meeting, the manager was addressing to the problem of competitors pricing policy. The two executives were busy talking to each other about their plans for the upcoming long weekend. The manager got distracted and forgot to inform the major changes in company's pricing policy.
 - c) Mohit prefers to stay away from his boss. He is always scared of, what if his boss does not approve his suggestions.
 - d) The sales manager while addressing to fresh graduates explained the threats and opportunities company was facing. He used lot of technical words which he had learnt in his MBA classes.
 - e) Sonu Garments Ltd. follows scalar chain very strictly. No employee, (whatsoever may be the emergency) is allowed to divert from the defined path of communications. (5)
- Q.2** Subermmanyam is a newly appointed Human Resource Manager in Times Ltd. in Punjab. He is a Tamilian basically. He is good in Tamil and English. Most of his subordinates belong to Punjab and they are not very much fluent in English. He feels it much difficult to make them understand his instructions.
- 1. Identify the concerned communication barrier.
 - 2. State the category of such barrier.
 - 3. Explain any other barrier of same category.
- Q.3** Neeraj, a sales representative of 'Omida Ltd' has changed seven jobs in the last one year. He is a hard working person but is not able to finalise deals

with the customers due to his inadequate vocabulary and omission of needed words. Sometimes he uses wrong words because of which intended meaning is not conveyed. All this creates a misunderstanding between him and his clients.

1. Identify the communication barrier discussed above.
2. State the category of this communication barrier.
3. Explain any other communication barrier of the same category.(3)

Q.4 Raju is good orator, but he lacks good listening skills. Due to it, he does not listen the instructions given by supervisor carefully and completely. Therefore, he doesn't complete the work as per given instructions.

1. Identify the concerned communication barrier.
2. State the category of such barrier.
3. How such barriers can be mitigated? (3)

Q.5 'Dr. Plus Ltd.' a company manufacturing pharmaceuticals organised a seminar for the lower level team of "Production Department". The resource person emphasized on the following points:

In order to realize organisational goals, the supervisor must have the ability of influencing people to strive willingly for mutual objectives. He should possess the art of transferring facts, ideas, feelings etc from one person to another and making them understand them. He needs to monitor the progress of routine work of the subordinates and guide them properly. He has to identify what excites people to work for the attainment of a desired objective so as to induce them to act in a desired manner.

1. Which functions of management are referred in the above? (1)
2. Identify quoting lines, the elements of one of the functions referred in above para. (4)

Q.6 'Rose Ltd' is manufacturing- Textiles, Cosmetics and Kitchenware item. The company has recruited all female fresher's directly from a Management Institute located in the city. Each product is headed by different female manager.

Ms Pooja is looking after Textile. She believes in decentralisation and takes decisions regarding different work by consulting her subordinates.

Ms Mona, head of cosmetics, takes little interest in managerial functions and the subordinates are left on their own.

Ms Anu is heading Kitchenware items. She has kept all the authority in her own hands and makes employees perform the work exactly as per her orders.

1. Which kind of organisational structure has the company adopted? (1)
2. State the specific source of recruitment used by the company? (1)
3. Identify the leadership styles practised by the 3 heads. (3)

Q.7 The psychology lecture of MBA students of 'Ikon Institute' was going on. The lecturer discussed that

- (a) Some employees have the desire for status or ego of self-respect and recognition.
- (b) Some have the desire to be what they want to be.
- (c) Some aspire for acceptance and sense of belongingness.
- (d) Some need defence against unexpected problems in future.

1. Identify the topic of psychology lecture. (1)
2. Identify the desires of employees discussed above along with, how can a manager fulfil such desires respectively. (4)

Q.8 'E.Com Ltd' recently ventured into cosmetics business. They took help of professional recruiters for filling their managerial position, who charged fees for it.

The company appointed the necessary personnel and started the work. All the workers/officials used official channels of communication, which are as follow:

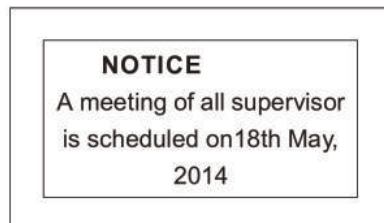
- Mr. Arun, the marketing manager co-ordinates all his activities with production manager.

- Mr. Amit (finance manager) has prepared cash budget and communicated it to his two accountants.
 - Mr. Rakesh (store manager) has requested/ suggested the purchase manager - Mr. Ankush that special temperature controlled warehouse is required to keep chemicals and cosmetics.
 - The marketing manager Mr. Arun has given feedback to production supervisor, Mr. Ved regarding complaints in recently launched bleach cream.
1. Which specific source of recruitment is used by the company(1)
 2. Identify different forms of communication referred in above paragraph (4)

Q.9 Anju and Manju work as Supervisor and clerk in Production and Finance Dept. respectively. They're close friends and have lunch together. One noon while having lunch Anju shared with Manju that twenty employees will be transferred to the foreign branch next month.

1. Which kind of communication took place between Anju and Manju.
2. Write any two limitations of such communication. (3)

Q.10



This Notice Board was placed in reception area of ABC Ltd. The notice placed here did not mention clear specification regarding the time. This resulted in ambiguity of message. Which barrier of communication is 'referred to' here? Explain any three other forms of barriers of effective communication.

(4)

- Q.11** Kareena is working in an MNC' She has been given an option to buy the shares of the company at an amount less than the market price because of her performance as an incentive. Katrina has been awarded "Employee of the month" award. Which forms of incentive is being referred here. Explain the incentives along with any other three incentives. (4)
- Q.12** You are a soft skill trainer who trains people in their speaking & writing skills. What ideas can you give to the trainees about improving their communication effectiveness? (4)
- Q.13** Manoj is working as a supervisor in Galaxy Ltd. He listens to worker's suggestions and grievances. He rewards the workers for good suggestions and handles the grievances timely. He insists on free flow of communication to solve the conflict among mgt. and workers. While scheduling the duties, he also consults the workers.

Explain functions performed by Manoj as supervisor by quoting lines from the above paragraph.

HINTS :

1.	Barriers to communication	Measures to improve communication
	(a) Semantic Barriers — Faulty translations	Use of proper language according to the needs of receiver.
	(b) Psychological Barriers — Lack of attention	Receiver should pay attention by being a good listener.
	(c) Personal Barriers — Fear of challenge to authority	Boss should motivate the subordinates to communicate.
	(d) Semantic Barriers — Technical Jargon	Use of words and language as per the needs and understanding level of receiver.
	(e) Organisational Barriers — Complexity in organisation structure	Use of gang plank in emergency, making org. structure simpler.

2.
 1. Faulty Translations
 2. Semantic Barrier
 3. Technical Jargon
3.
 1. Badly expressed message
 2. Semantic Barrier
 3. Technical Jargon

4.	(1) Communication Barrier	(2) Category	(3) How such barriers can be mitigated
	Lack of attention/ Poor listening	Psychological/ Emotional barriers	By developing good listening skill among employees.

5.
 1. Staffing, directing
 2. Leadership

The supervisor objectives.

Communication

He should them.

Supervision

He needs properly.

Motivation

He has manner.
6.
 1. Divisional structure
 2. Campus recruitment
 3. Ms Pooja — Democratic style

Ms. Mona — Free Rein

Ms. Anu — Authoritative

7. 1. Human Needs, Motivation

2.

Needs	How to fulfill
(a) Esteem Needs	Promotion, Job title.
(b) Self-actualisation.	Achievement of goals.
(c) Social Needs	Cordial relations in formal and informal organisation.
(d) Safety/ security Needs	Job confirmation, PF and Pension Plan.

8. 1. Management Consultants

2. Mr. Arun — Horizontal communication

Mr. Amit — Vertical [downward] communication

Mr. Rakesh — Vertical [upward] communication

Mr. Arun to Ved — Diagonal communication

9. 1. Informal Communication

2. Carry rumours

Unorganised and irregular

10. (i) Semantic Barrier — Badly Expressed message.

- (ii) (a) Emotional Barrier — Lack of attention.

(b) Organisational Barriers — Rules and Regulations

(c) Personal Barriers — Lack of proper incentives.

11. For Kareena — Financial Incentive — Co. partnership

For Katrina — Non-financial Incentive — Employee Recognition Program

Other Three Incentives —

Financial Incentive — Bonus Profit Sharing

Non-financial Incentive — Job Enrichment, good Organisational Climate

12. Be a patient listener
 Classify the ideas before communication.
 Ensure proper feedback
 Communicate according to the needs of receiver.
13. (i) Feedback — He listens grievances.
 (ii) Motivation — He rewards timely.
 (iii) Link between workers and management
 He insists workers.
 (iv) Ensures issuing instructions.
 While scheduling workers.

Key Terms to Crack Case-Studies

S.No.	Phrase	Topic/ function Category	Sub-Topic/ Sub category/ Element
1.	This function of management initiates action.	Directing	—
2.	Guiding the efforts of employees.	Directing	Supervision.
3.	Stimulating people to action.	Directing	Motivation
4.	Influencing the behaviour of people by making them strive voluntarily.	Directing	Leadership
5.	Decision in consultation with subordinates.	Leadership style.	Democratic
6.	This leader is dogmatic	Leadership	Autocratic leader
7.	High degree of freedom to subordinates to take decisions.	Leadership	Laissez-Faire Leadership

8.	Exchange of ideas, facts, feelings etc.	Directing	Communication
9.	Translating the message into words, symbols, gestures etc.	Communication	Encoding
10.	Translating the encoded message into language understandable by the receiver.	Communication	Decoding
11.	Receiver's response to the message sent by the sender	Communication	Feedback
12.	Poor connectivity on internet, Faulty decoding, inattentive receiver, group of people talking nearby, letter being lost in the mail.	Communication	Noise
13.	This communication satisfies social psychological and emotional needs of employees.	Directing	Informal Communication
14.	This communication takes place through scalar chain only and causes delays.	Directing	Formal Communication
15.	Rule of only written communication in the organisation.	Organisational Barriers	Organisational Policy
16.	Use of high level/ subject specific terminology in management.	Linguistic/ Semantic Barriers	Technical Jargon.
17.	Use of wrong words, omission of needed words, inadequate vocabulary.	Semantic Barriers	Badly Expressed Message.
18.	Subordinates do not listen carefully to the message of superior.	Psychological Barriers	Lack of Attention/ Poor listening

19.	Supervisor sends message to two workers but forgets to convey to third one.	Psychological Barriers	Poor Retention
20.	Superior neither talks to subordinates nor wishes to hear them.	Organisation Barriers	Status
21.	Nodding the head while saying 'NO'	Semantic Barriers	Body language and gesture decoding.
22.	Superior and subordinate do not trust each other.	Emotional Barriers	Distrust
23.	Complicated communication procedures.	Organisational Barriers	Rules and Regulations.
24.	This leadership suits where employees are highly skilled, experienced and educated.	Direction	Leadership style Laissez Faire
25.	This leadership works where group members are skilled and eager to share their knowledge.	Direction	Leadership style Democratic style
26.	This leadership style works where leader is the most knowledgeable member of the group.	Direction	Leadership style Autocratic style