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Class 12 commerce Sub. BST. Date 16.06.2021

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Directing

Question 1:

The workers always try to show their inability when any new work is given to them. They are always unwilling to take up any kind of work. Due to sudden rise in demand a firm wants to meet excess orders. The supervisor is finding it difficult to cope up with the situation. Suggest ways for the supervisor to handle the problem.

ANSWER:

In the given situation what is required is **providing motivation to the employees**. The supervisor must motivate the employees and encourage them to perform to the best of their capabilities. He must identify the needs and requirements of the workers. In other words, the cause for the unwillingness to work must be identified and worked upon. For motivation various financial incentives such as bonus and profit sharing or non-financial incentives such as work enrichment and position can be used.

Question 2:

Workers of a factory often come to the Production Manager with the grievances. The production manager finds himself overburdened with so many tasks. Advise a way to relieve the production manager.

ANSWER:

In the hierarchical structure, a **supervisor can be appointed** in between the manager and the workers. The supervisor would act as a link between the managers and the workers. It is through him that the manager would communicate his policies and ideas and the workers would communicate their grievances to the managers. In other words, the supervisor would remain in direct contact with the workers, thereby reducing the workload of the manager.

Question 3:

In an organisation employees always feel they are under stress. They take least initiative and fear to express their problems before the manager. What do you think is wrong with the manager?

ANSWER:

In the given situation what is wrong is that there is **absence of free flow of communication**. The manager must involve his subordinates in the decision making process and encourage them to actively give their feedback and suggestions.

Question 4:

In an organisation all the employees take things easy and are free to approach anyone for minor queries and problems. This has resulted in everyone talking to each other and thus resulting in inefficiency in the office. It has also resulted in loss of secrecy and confidential information being leaked out. What system do you think the manager should adopt to improve communication.

ANSWER:

In the given situation an informal system of communication is being followed. What is required is a **move towards a formal system of communication**. In a formal system of communication messages and facts would flow through officially designed channels. In such a system information would flow systematically and in proper order. The original source that initiated the communication can be located and proof of communication can be maintained.

Question 5

Y limited is a bank functioning in India. It is planning to diversify into insurance business. Lately, the government of India has allowed the private sector to gain entry in the insurance business. Previously, it was the prerogative of LIC and GIC to do insurance business. But now with liberalisation of the economy and to make the field competitive other companies have been given licenses to start insurance business under the regulation of 'Insurance Regulatory and Development Authority'. Y limited plans to recruit high quality employees and agents and exercise effective direction to capture a substantial part of life and non life insurance business.

Questions

1. Identify how the company can supervise its employees and agents effectively. What benefits will the company derive from effective supervision?

2. What financial and non-financial incentives can the company use for employees and agents separately to motivate them. What benefits will the company get from them?
3. How can the company ensure that higher order needs i.e. esteem and self-actualisation as specified by Abraham Maslow are met?
4. Identify the qualities of leadership in this line of business that the company managers must possess to motivate employees and agents.
5. Give a model of formal communication system that the company can follow. Identify the barriers in this model. How can they be removed?
6. How can informal communication help to supplement formal communication model given by you in answer to question 5?

ANSWER:

1. Effective supervision can be achieved by **employing a supervisor** who would directly interact with the workers. The supervisor would act as a link between the managers and the workers. The following are the benefits that the company would derive by employing a supervisor.

- i. As a supervisor would be in indirect contact with the employees, he would be better able to motivate and guide them. This helps in maintaining unity and harmony among the employees.
- ii. He ensures that the personnel work efficiently as per the targets.
- iii. He provides the employees with the required knowledge and skills.
- iv. A supervisor endowed with the required leadership skills helps in boosting the morale of the employees and instils a feeling of belongingness in them.
- v. He can help in improving the performance efficiency by providing them regular feedback and suggestions.

2. The following financial and non-financial incentives can be given by the company to the employees and agents.

Financial benefits for the employees and agents:

- i. **Performance based incentives:** The employees and agents can be given performance based monetary rewards.
- ii. **Stock option:** The employees and agents can be given shares of the company at a price lower than the market price.

Non-financial benefits for the employees and agents:

- i. **Work enrichment:** The employees and agents can be endowed with greater

responsibility and more challenging work.
ii. **Job security:** The employees and agents can be given job security with regard to his/her association with the company.

The company will get the following benefits from providing financial and non financial benefits to the employees and agents.

i. **Improves performance:** Financial and non-financial incentives works towards fulfilling the needs and desires of the employees. Therefore, it encourages them to work to the best of their capabilities and improve their performance.

ii. **Develops a positive attitude:** Financial and non-financial incentives in the form of appreciation, rewards, etc. helps in changing the negative attitude of employees to a positive one so that they work efficiently towards the achievement of organisational objectives.

iii. **Reduces employee turnover:** If the financial and non-financial incentives succeed in satisfying the needs of the employees, they would have less urge of leaving the organisation. In this way, it helps to retain people in the organisation.

iv. **Creates a healthy work environment:** Financial and non-financial incentives helps in creating a conducive and healthy work environment. Motivated employees view work as a source of joy and therefore increase their presence at workplace.

3. For satisfying the higher order needs measures such as **work enrichment and career opportunities** must be given to the employees. The employees can be endowed with challenging work and greater responsibilities that require higher knowledge and skills. Moreover, they must be offered with growth opportunities in the organisation.

4. In the given line of business, the following leadership qualities must be possessed by the manager.

i. **Effective communication skills:** He must have good communication skills such that he is able to express his ideas and instructions clearly.

ii. **Dynamic:** He must be dynamic and outgoing in the sense that he must be able to take new initiatives and break old paradigms for the overall benefit of the organisation.

iii. **Social behaviour:** He must be friendly and cordial with his subordinates while maintaining good social relations with them.

iv. **Confidence:** He should be high in confidence, even in difficult situations. A leader can boost the confidence of his subordinates only when he is confident about himself.

v. **Responsibility**: He should command responsibility for the work and tasks of his group. He should hold the responsibility of being answerable for the mistakes of his subordinates. As a mark of encouragement, he must also share the credit of success with his subordinates.

5. The company can follow a **free flow communication model** wherein any person can talk to any person in the company. That is, there are no barriers or definite channels for communication.

The following barriers are encountered in communication:

i. **Organisational barriers**: It refers to those barriers that related to structure, hierarchical relationships and rules and regulations in the organisation. For example, a complex organisation structure acts as a barrier to effective communication as the information has to pass through numerous levels.

ii. **Semantic barriers**: It refers to barriers pertaining to use or understanding of language. For instance, sometimes due to poor vocabulary or wrong usage of words by the communicator the information may not be clearly expressed.

iii. **Psychological barriers**: Psychological factors such as frustration, anger, fright may also obstruct effective communication. For example, due to lack of trust between the communicator and the commute the information may not be perceived in the original sense.

iv. **Personal barriers**: Personal factors related to the sender or the receiver may also act as a hurdle in effective communication. For example, lack of incentives may discourage the initiatives to communicate.

The following steps can be taken to remove the barriers:

i. The communication should be as per the understanding level and capabilities of the receiver.

ii. The language, tone and content of the information should be appropriately chosen.

iii. Appropriate feedback regarding the communication must be taken from the receiver.

iv. The information should be clear, unambiguous and complete.

v. The sender of the information should be a patient listener and should be open to ideas from the other end as well.

6. The informal communication supports the formal communication in the following manner:

i. Through informal communication the information tends to flow faster.

ii. The employees develop a interpersonal and social relations among them, thereby

develop a feeling of belongingness towards the organisation.
iii. It helps in divulging true responses of the employees on certain important matters.
