NCERT Solutions for Class 12 Business Studies

Chapter 7 – Directing

Very Short Answer Type:

1.

What is informal communication?

Ans: When employees who are not officially related to each other communicate, it is called informal communication. This type of communication is also called 'the grapevine,' as it can flow in any direction. Informal communication tends to flow information in all directions without considering the level of authority of the sender. This communication arises from the demand by employees to exchange ideas, which cannot be done through formal channels. This informal communication spreads information quickly, and sometimes just rumors.

2.

Which style of leadership does not believe in use of power unless it is absolutely essential?

Ans: Leadership that does not believe in the use of power unless it is necessary is laissez-faire, or free rein. Full decentralization of authority is provided by the subordinates under some designated leadership. As a result, the subordinates are given total liberty and encouraged to come up with choices for themselves.

3.

Which element in the communication process involves converting the message into words, symbols, gestures etc.?

Ans: An interpersonal method called encoding converts a feeling into words, gestures, or symbols. Data conversion is the procedure of changing a data format, usually for retention, transmission, or reduction.

In audiovisual & telecommunications contexts, encoding is frequently used to condense raw audio, video, or information into a more manageable format for distribution.

4.

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. State the element of directing that can help the supervisor in handling the problem.

Ans: The aspect of navigating is motivation & the following steps can be undertaken to enhance workers' motivation:

- The supervisor can allow monetary incentives. For instance, wages serve productivity, which will further motivate the employees.
- The workers are motivated to work by making them understand how this work will lead to increased exposure and thus come with better job prospects.
- Leadership chances must be offered to the employees, which will keep them engaged with a sense of added responsibility.

Short Answer Type:

1.

What are semantic barriers of communication?

Ans: Determining the significance of phrases and terms is the main goal of the linguistics discipline of semantics. The difficulties or impediments that arise while attempting to encode or decode signals into vocabulary or concepts are referred to as semantic hurdles. These obstacles frequently arise as a result of improper word choice, imprecise or conflicting interpretations.

Semantic barriers frequently occur for the explanations listed below.

A. **Poorly Written Note:** Sometimes, the details are unclear. This typically occurs as a consequence of improper word use or the absence of literacy.
B. **Signs with Several Connotations:** Sometimes a word has several meanings, or multiple words could have been pronounced the same way (idle & idol). In certain situations, the word's proper meaning is unclear and subject to opinion.
C. **Faulty Translations:** In certain cases, between workers and managers, the language proficiency varies. In such cases, a translation is required. Even then, some words or sentences may be misunderstood due to the translation process. For instance, the moment you translate certain words in a translation from English to Hindi, the meaning may vary.
D. **Technical Jargon:** A senior or specialist can use technical terminology to give instructions that are difficult for subordinates to understand. For example, a drawing interpreted by a

commerce student and another person will be different.

E. **Body Language & Gesture Decoding:** Body movements often carry meaning, sometimes more powerfully than words. When conveying clarified details, a speaker's body language and movements may prove highly significant. When spoken words and nonverbal indications are not in harmony, reality might be mistaken. For example, your hand movements may convey peace while your facial attitude conveys annoyance, confusing the final audience.

F. **Unclarified Predictions:** Problems may arise from particular hypotheses that are susceptible to various implementations.
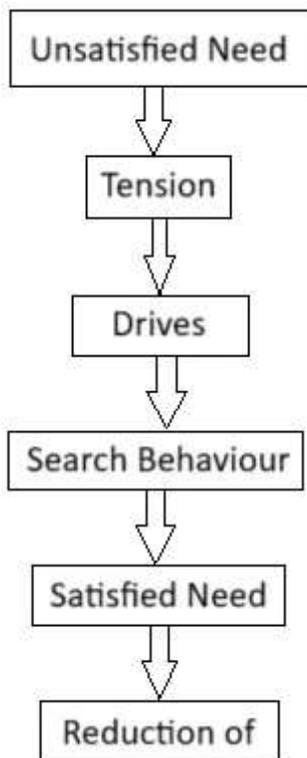
2.

Explain the process of motivation with the help of a diagram.

Ans: Triggering and encouraging someone to behave in a specific manner is known to inspire them. These are the following points that describe the motivational process:

- **Unsatisfied Need:** The motivation process starts the moment an individual is unsatisfied.
- **Tension:** With the desire unsatisfied, frustration builds up in the individual's mind.
- **Motives/Drives:** This frustration motivates the individual to assess alternatives to meet his needs.
- **Search Behavior:** He then begins with one option and acts accordingly.
- **Satisfied Needs:** After a certain period, he calculates whether or not his need has been met.
- **Reduced Tension:** Once the need is satisfied, the individual's frustration and tension are relieved.

Example: Assume a person wants to advance in their career. They begin to look for other ways to advance in their career by working harder to improve their performance. After continuous hard work, they may receive recognition and promotion, which will then finally satisfy their desire and reduce frustration. This process of encouragement and motivation is explained through the following diagram:

```
┌─────────────────┐
│ Unsatisfied Need │
└─────────────────┘
         │
         ▼
    ┌─────────┐
    │ Tension │
    └─────────┘
         │
         ▼
    ┌─────────┐
    │ Drives  │
    └─────────┘
         │
         ▼
┌──────────────────┐
│ Search Behaviour │
└──────────────────┘
         │
         ▼
┌─────────────────┐
│ Satisfied Need  │
└─────────────────┘
         │
         ▼
┌─────────────────┐
│  Reduction of   │
└─────────────────┘
```

3.

State the different networks of grapevine communications.

Ans: Grapevine communication, also known as informal communication, is communication that develops through social interaction among employees and spreads without any formal communication path. The types of grapevine communication networks are

A. Single-Strand Network: Information moves from one individual to subsequent ones in this system in a specific order. One individual speaks to another, who speaks to still another. Data is distributed across multiple participants in this manner.

B. Gossip Network: In a gossip network, one person communicates to massive people. Such gossip is mainly about new employees who recently joined the organization and other things related to this.

C. Probability Network: In a probability network, an individual randomly commutes with another and is not bothered about who he shares the information with. **D. Cluster Network:** Information in this network is first divided between two people who trust each other. Then one of them passes the information to another, who then passes it further.

4.

Explain any three principles of Directing.

Ans: Management's function of directing is pretty complex. Certain principles have been introduced, making the directing process a little easier. The principles of the directing process are

- **Maximum Individual Contribution:** According to the rule, the manager uses directing techniques to encourage employees to perform their best. It should influence employees to work towards their organization's goals. That is, each individual should be true in making their contribution to the organization's goals. For example, managers can announce appropriate incentives and motivation techniques to encourage employees to perform better.
- **Appropriateness of Direction Technique:** This principle states that the direction technique to be used should be appropriate. It can fit the requirements & dispositions of the staff. For instance, our worker could be inspired by praise, while another needs monetary rewards. Therefore, depending on the circumstances, the supervisor should utilize the proper directing tactics.
- **Managerial Communication:** Effective communication is essential for effective directing. The subordinates can understand the superior's directives and directions with ease. Additionally, subordinates need to speak openly and honestly with superiors. They must have the freedom to voice their thoughts and recommendations. Excellent two-way interaction between superiors and subordinates is highly mandatory.

5.

In an organisation, one of the departmental manager is inflexible and once he takes a decision, he does not like to be contradicted. As a result, employees always feel they are under stress and they take least initiative and fear to express their opinions and problems before the manager. What is the problem in the way authority is being used by the manager?

Ans: The manager uses a dictatorial form of governance, issuing directives and demanding complete adherence. With this approach, the leader maintains complete authority over all choices. This rigid and prejudiced strategy often discourages & disregards employees since their ideas and points of view aren't taken into account.

The overall efficacy might ultimately suffer from the lack of participation. The management must be highly flexible by encouraging calm and honest interaction, and create an environment where employees are valued and encompassed in decision-making to address such issues.

6.

A reputed hostel, Gyan Pradan provides medical aid and free education to children of its employees. Which incentive is being highlighted here? State its category and name any two more incentives of the same category.

Ans: GyanPradan has provided its employees with benefits & auxiliary benefits, such as complimentary medical coverage and childcare facilities. This is classified as a financial reward. Meanwhile, other prominent financial incentives include,

- **Bonus:** Gifts, a holiday benefit, and other incentives are offered as an extra to a regular wage.
- **Retirement Benefits:** Retirement benefits, including pensions, compensation, supplemental funds, and more, are given to employees.
- **Stock Option:** Shares in the business are given to staff members for less than the going rate.
- **Profit-Sharing:** This represents the process of giving employees a cut of the revenue generated by a business.

Long Answer Type:

1.

Discuss Maslow's Need Hierarchy theory of motivation.

Ans: The idea of Maslow's Hierarchy of Needs provides substantial understanding into the intricate nature of human motivation. Abraham Maslow proposed this theory in 1943 and states that every individual possesses five basic needs that could potentially be ranked in order of importance.

These needs could range from essential to physiological needs or can be ones like sophisticated or goals like self-actualization. By knowing where an employee is in this hierarchy, managers can better grasp their motives and conduct. The manager may adjust motivating tactics to meet each individual's unique demands, which will boost output and work happiness.

Assumptions

- Satisfaction of demands modifies people's attitude.
- Needs are passed through the hierarchy.
- Once a need is satisfied, one can be motivated for the next level of need.
- Satisfaction of lower-level needs pushes one to move to the next level of need.

Hierarchy of Needs

The wants and desires of workers might be arranged in a sequence of 5 necessities based on Maslow's need hierarchy theory:

- **Basic Physiological Demands:** It comprises fundamental requirements such as hunger, thirst, shelter, sleep, and more.
- **Safety/Security Needs:** This includes security and protection, like job security, etc.
- **Affiliation/Social/Belonging Needs**: It includes needs like affection, a sense of belongingness, friendship, etc.
- **Esteem Needs:** It consists of needs like self-respect, autonomy, status, recognition, etc.
- **Self-Actualization Needs:** Consisting of needs that are the starting point of realizing a dream.

Maslow's hierarchy of needs theory is widely accepted and is used as a foundation for motivating managers. Nevertheless, the precise ordering of requirements can sometimes be overlooked by a person. Hence, managers may practice successful encouragement by having a solid knowledge of Maslow's hierarchy of demands.

2.

What are the common barriers to effective communication?
Suggest measures to overcome them.

Ans: Often, the desired information won't reach the selected recipient in the way it's supposed to reach by the sender. Plenty of instances where data is misconstrued or misread during transmission from source to recipient. It obstructs the effective flow of communication, and some common barriers are classified as follows:

A. **Semantic Barriers:** Semantic communication barriers are related to the use or understanding of the language. There may be specific times when a few words, paragraphs,

or statements sound unclear or challenging to grasp. As a result, they might go unnoticed. Semantic barriers are communication barriers that arise as a result of ambiguity or difficulty understanding words and sentences. For example, when giving instructions, the senior or specialist may use technical terminology that the subordinates may find difficult to understand. Similarly, whenever more than one word is pronounced comparably (for example, excess and access), it makes it difficult to understand what the phrase means.

B. **Psychological Huddles:** Psychological factors like frustration, anger, and fear can also negate effective communication. For instance, an individual's mind may be preoccupied due to frustration with a particular matter, and he may be unable to grasp the information given to him attentively. Another situation can be that, due to preconceived notions about a conversation, an individual may conclude before the information is fully processed.

C. **Personal Barriers:** Interaction can occasionally be hampered by personal qualities that are specific to the recipient or recipient. For instance, in formal businesses, superiors usually keep knowledge to themselves out of concern that it may compromise their position of leadership. Likewise, if they lack confidence in those around them, they might not want to hear what they have to say. Similarly, subordinates might not be motivated to speak openly with bosses. In certain situations, personal characteristics of both the sender and the recipient hinder effective interactions.

D. **Organizational Barriers:** Official frameworks of organization, which are impacted by things like legitimacy, regulations, guidelines, and so on, are where obstacles first appear. For example, when an organization uses long vertical communication chains, the flow of information may be delayed and sometimes confusing. Meanwhile, a highly centralized organizational structure could obstruct free communication with minimal distractions.

Measures to Overcome Barriers in Communication

The following are some of the measures that can be taken to overcome various communication barriers:

1. **Clarify the Ideas Before Communicating:** Communication should take place at the receiver's understanding level and capabilities. Also, it must be ensured that the data is clearly known by the end receiver.
2. **Completely Aware of Language, Tone, and Content:** The data wording, language, and topic should all be carefully considered. It shouldn't hurt anyone's feelings & should be fairly easy to grasp.
3. **Receive Prompt Feedback:** For interaction to be highly effective, proper feedback is extremely vital. In other words, they must be encouraged and appreciated to respond during the conversation.
4. **Communicate for the Present and the Future:** Ensure that the information is complete in every way and that nothing is left unknown.

5. **Communicate by the Needs of the Receiver:** The main idea of the communication must be understood by both the sender and the receiver. Thus, communication must be communicated.
6. **Be a Good Listener:** The information sender should also be a patient listener. He should also be open to any communication coming from the other side.

3.

Explain different financial and non-financial incentives used to motivate employees of a company?

Ans: Financial Incentives

Financial incentives are direct monetary incentives provided to employees to motivate or appreciate them for better performance. Some of the financial incentives used in organizations are as follows:

- **Salary and Allowances:** The basic form of financial incentive in any organization is salary and allowances given to the employees, monthly or work-based. Staff members are encouraged by their salaries and the additional perks.
- **Performance-Based Bonus:** Businesses usually provide financial compensation for exceptional work. This encourages workers to perform better and be more efficient.
- **Reward:** An incentive is an extra reward that is provided on top of the base pay. It might take the shape of cash, presents, paid time off, etc. Additionally, some companies provide incentives during the holiday period, such as the Diwali reward.
- **Stock Option:** Under this monetary reward plan, every worker is given the opportunity to purchase the business's shares at a discount to the going rate. This encourages the staff member to get involved in the objectives of the company by giving them an overwhelming feeling of responsibility and involvement.
- **Profit Exchange:** Under this scenario, the company gives its workers a cut of its earnings, which motivates them to work toward the expansion of the company.
- **Retirement Benefits:** Pensions, compensation, provident funds, and other retirement benefits are offered to employees by multiple companies. As a consequence, workers will consider themselves more sturdy and comfortable thus will become far more committed to the business.
- **Fringe Perks:** A business might give its staff members additional incentives, like a home allowance and healthcare reimbursement, above their regular payment.

Non-Financial Incentives

Rewards that prioritize psychological & social happiness over monetary gain are known as non-monetary rewards. Examples of non-monetary incentives that are employed in companies

include the ones that follow:

- **Position:** Appreciation of power, authority, and responsibility provides employees with a psychological boost. For instance, a quick promotion or added bonus could act as a massive source of boost for an employee and for the other workers around them.
- **Organizational Characteristics:** Employee conduct is significantly influenced by a number of aspects, including incentives, monetary compensation, performance honor, and employee autonomy. For example, employees are encouraged to perform more productively if they obtain the proper acknowledgment and gratitude for their hard work.
- **Work Enrichment:** A challenging job with more responsibility and requiring more knowledge and skill needs to prioritize employees' interests. It offers opportunities for personal growth and development to employees. Thus, it serves as a good source of motivation and creativity for him.
- **Career Opportunities:** When an organization prioritizes its employees and assists in their appropriate growth and career opportunities, they automatically perform better and move ahead in climbing the professional ladder.
- **Job Security:** A feeling of safety is mandatory for an employee in the organization. This constant fear of losing their job eventually affects their efficiency. But also, another thing to keep in mind is the fact that complete security can also lead to a loss of interest in one's job.
- **Involvement:** A sense of belonging starts when an organization lets its employees participate in policy and decision-making matters, which further motivates them to work towards the organization's goals.

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 taking 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?

Ans: A formal system of communication should be initiated by the manager. Formal communication flows through official channels mentioned in the organization chart to communicate official information stored between employees.

Therefore, the manager should stick to the single chain, which is a network under formal communication. This network is responsible for maintaining the connection between a supervisor and their subordinates.

As there are many levels in an organizational structure, communication flows through a single chain from every superior to their subordinate, making the procedure easier. Only crucial information should be passed down the chain. Employees at all levels are not permitted to communicate with one another to maintain increased work efficiency and a leak-proof information system.