

CBSE Test Paper - 03
Chapter - 7 Directing

1. Which of the following is not an element of communication process? **(1)**
 - a. Decoding
 - b. Communication
 - c. Channel
 - d. Receiver
2. Basic Physiological Needs are concerned with _____ **(1)**
 - a. All of These
 - b. Hunger
 - c. Shelter
 - d. Thirst
3. Safety/Security Needs are concerned with _____ **(1)**
 - a. Safety of Property
 - b. All of These
 - c. Protection against danger
 - d. Protection from physical and emotional harm
4. Leadership is the art or process of _____ **(1)**
 - a. Influencing the behaviour of people
 - b. Making people responsible without providing them any authority
 - c. Supervision
 - d. Delegating Authority
5. What is Democratic Leadership Style? **(1)**
6. Name the term used in management which stimulates people to take up work voluntarily. **(1)**
7. Explain how directing is a pervasive function of management. **(1)**
8. Give the meaning of 'supervision' as an element of directing. **(1)**

9. Yash has set up a small scale manufacturing unit for making different varieties of low cost detergents. In order to market his product he has employed a team of five salesmen. Each salesman has been assigned specific areas in the city. He holds a meeting every month for determining the objectives to be achieved during the coming month. A sales target is predetermined for each month which is mutually agreed by both Yash and his sales team. If the salesmen succeeds in reaching this target a bonus is paid out to all of them along with the monthly salary.

In context of the above case:

- a. What style of leadership is adopted by Yash? Explain by quoting lines from the para.
 - b. Name the type of non financial incentive being offered to the salesmen by seeking their involvement in deciding the monthly targets of the firm. **(3)**
10. What is meant by 'Esteem needs' and 'Self-actualization needs' in relation to motivation of the employees? **(3)**
11. Ankur is working as a production manager in an organisation. His subordinate Saurabh discussed with him a method of production which will reduce the cost of production. But due to some domestic problems and Ankur's mind being pre-occupied he is not in a position to understand the message. Saurabh got disappointed by this. Identify the factor which acts as a communication barrier. Explain three other factors of the same group of communication barriers. **(4)**
12. Describe the role of communication in the directing function of management. **(4)**
13. The post of the supervisor should be abolished in the hierarchy of managers. Do you agree? Give reasons in support of your answer. **(5)**
14. Explain different financial and non-financial incentives used to motivate employees of a company? **(5)**
15. Explain the concept of Democratic leadership and state its disadvantages. **(6)**

CBSE Test Paper - 03
Chapter - 7 Directing

Answer

1. b. Communication

Explanation:

Communication is the sum of all things one person does when he wants to create understanding in the mind of another. It involves systematic and continuous process of telling, listening and understanding.

2. a. All of These

Explanation:

These needs are most basic in the hierarchy and corresponds to primary needs. Hunger, thirst, shelter, sleep and sex are some examples of these needs. In the organisational context, basic salary helps to satisfy these needs.

3. b. All of These

Explanation:

These needs provide security and protection from physical and emotional harm. Examples: job security, stability of income, Pension plans etc.

4. a. Influencing the behaviour of people

Explanation:

Leadership is the art or process of influencing people so that they will strive willingly and enthusiastically towards the achievement of group goals.

5. A democratic leader will develop action plans and makes decisions in consultation with his subordinates.
6. 'Motivation' is the term used in management which stimulates people to take up work voluntarily.
7. 'Directing' is a pervasive function of the management as every manager from top executive to superior performs it in the organisation.
8. As an element of directing 'supervision' means monitoring, instructing and guiding the subordinates to ensure that they perform their jobs in accordance with the plans

and instructions. Supervision is an important element of the directing.

9. i. The democratic style of leadership is adopted by Yash. Democratic leadership or I would say participative leadership, is a type of management style in which members of the group take a more participative role in the decision-making process. Everyone is given the opportunity to participate, ideas are exchanged freely, and discussion is encouraged. While the democratic process tends to focus on group equality and the free flow of ideas, the lead of the group is still there to offer guidance and control. A democratic leader encourages his subordinates to participate in the process of decision making. Thereby, the manager is able to motivate his subordinates to perform their best, as they themselves have set the goals.

"A sales target is pre-determined for each month which is mutually agreed by both Yash and his sales team."

- ii. Employee participation is the type of non financial incentive that is being offered to the salesmen by seeking their involvement in deciding the monthly targets of the firm. Employee participation is the process whereby employees are involved in decision-making processes, rather than simply acting on orders. Employee participation is part of a process of empowerment in the workplace.
10. i. Esteem Needs: These needs are needs for self esteem and need for other esteem. For Example: Self-respect, self-confidence etc.
- ii. Self-actualization Needs: This include the urge to become what you are capable of becoming e.g; realizing personal potential, self-fulfillment, pursue talent, personal growth, peak experiences etc.

11. The factor which acts as a communication barrier is Psychological factor.

Psychological barrier acts as a communication barrier here.

The three other psychological barriers to communication are:

- i. **Premature evaluation:** Some people have the tendency to form a judgment before listening to the entire message. This is known as premature evaluation. Communication is likely to fail, if the receiver evaluates the meaning of message before the sender completes the message. Such premature evaluation may occur due to pre-conceived notions or prejudices against the communicator.
- ii. **Loss by transmission and poor retention:** When communication passes through

various levels, it may result in loss by transmission. Sometimes, poor retention of people due to lack of interest and attention leads to miscommunication.

- iii. **Lack of attention:** When the receiver's mind is pre-occupied, he fails to understand what is being said. e.g. a worker explains some problems to his supervisor. The supervisor is pre-occupied with a telephone call and does not grasp the message.

12. Communication plays a key role in the directing function of management. The communication is an important element of directing because of the following points:
- i. **Acts as a basis of coordination and cooperation:** Communication acts as a basis of coordination. It provides coordination among departments, activities and persons in the organisation. Such coordination is provided for explaining about organisational goals, the mode of their achievement and inter- relationships between different individuals, etc.
 - ii. **Increases managerial efficiency:** The employees must know clearly about their responsibilities and authority, who will report to whom, what part of the total job they are expected to perform and what are then decision-making powers. This leads to a smooth flow of communication.
 - iii. **Promotes cooperation and industrial peace:** Efficient operation is the aim of all prudent management. It may be possible only when there is industrial peace in the factory and mutual cooperation between management and workers. The two-way communication promotes cooperation and mutual understanding between the management and workers.
 - iv. **Helps in smooth working of an enterprise:** All interactions in an organisation and smooth working of an enterprise is possible only when there is no communication gap. Right from establishing of enterprise till its survival, communication is essential.

13. No, I don't agree, because a supervisor performs the following functions to achieve organization goals:
- a. Planning the work: The supervisor has to determine the work schedule for every job.
 - b. Issuing orders: Supervisor issues orders to the workers for achieving coordination

in his work.

- c. Providing guidance and leadership: The supervisor leads the workers of his department.
- d. Make the necessary arrangement for the supply of materials and ensure they are efficiently utilized.
- e. Deviations from the target if any are to be rectified at the earliest.
- f. To help the personnel departments in the recruitment and selection of workers.
- g. Explains the policies and programmes of the organization to his subordinates and provide guidance.
- h. Helping the team understand performance targets and goals.
 - i. Training or ensuring that workers are properly trained for their specific roles.
 - j. Scheduling work hours and shifts.
- k. Coordinating job rotation and cross-training.
 - l. Providing real-time feedback on worker performance.

14. Financial and non-financial incentives are :

FINANCIAL INCENTIVES:

In today's socio-economic condition money has become a very important part of our life. We need money to satisfy almost all our needs as it has the purchasing power. Thus, financial incentives refer to those incentives which are in direct monetary form i.e. money or can be measured in monetary terms. Financial incentives can be provided on individual or group basis and satisfy the monetary and future security needs of individuals. The most commonly used financial incentives are:

- i. **Pay and allowances:** Salary is the basic monetary incentive for every employee. It includes basic pay, dearness allowance and other allowances like House Rent Allowance, Entertainment allowance etc. Under salary system, employees get regular annual increments and enhancement of allowances from time to time.
- ii. **Productivity linked wage incentives:** Employees can be motivated by giving them productivity linked wage incentives. There are certain wage rate plans which offer higher wage for more efficient worker for example; different piece wage system allows high wages to efficient workers as compared to inefficient workers.

-
- iii. **Profit sharing:** Sometimes a company or a business firm may share some part of its profit with the employees. The main purpose of sharing profits with the employees is to improve their performance so that they can contribute more in increasing the productivity and profits of the firm.
 - iv. **Bonus:** To motivate the employees company may allow an incentive over and above the wages or salary to the employee which is known as Bonus. It is an extra reward to the employees for their high performance.
 - v. **Co-partnership/Stock option:** Sometimes companies offer their shares to its employees at a set price which is lower than the market price. The main purpose of allotting shares to the employees is to create a feeling of ownership among them so that they can contribute more for the growth of the organization.
 - vi. **Retirement benefits:** Several retirement benefits such as provident fund, pension and gratuity etc. provide financial security to employees after their retirement. These incentives plays important role in motivating employees and also provide them security and safety for their future.
 - vii. **Perquisites:** To motivate the employees, most of the companies offer perquisites and fringe benefits over and above the salary i.e. Car allowance, housing, medical benefits and education to children etc. These measures help to provide motivation to the employees.

NON-FINANCIAL INCENTIVES:

Apart from the monetary and future security needs, an individual also has psychological, social and emotional needs. Satisfying these needs also plays an important role in their motivation. Non-financial incentives focus mainly on the fulfillment of these needs and thus cannot be measured in terms of money. However, there are chances that a particular non-financial incentive may also involve the financial incentive as well. For example, when a person is promoted his psychological needs are fulfilled as he gets more authority, his status increases but at the same time, he has benefited monetarily also as he gets a rise in salary. The most common non-financial incentives are:

- i. **Status:** In actual, Status is directly concerned with the authority, rank, recognition and prestige. Employees can be motivated by offering them higher status or rank in the organization. The main purpose of offering them higher status is to satisfy

their psychological, social and esteem needs.

- ii. **Organizational climate:** It refers to the relationship between superior/subordinates. There are some characteristics which describe an organization. The various characteristics of organizational climate like freedom to employees, work culture, reward orientation and consideration towards employees etc. plays important role in shaping the behaviour of the workers.
 - iii. **Career advancement opportunity:** Every individual wants to grow to the higher level in the organization. When employees get new opportunities to grow in status and responsibility, they feel very much satisfied and become more committed to the organization.
 - iv. **Job enrichment:** Employees get bored by performing the same work again and again. They enjoy doing jobs which offer them variety and opportunity to show their skill.
 - v. **Employee Recognition programmes:** Employees feel motivated when they are appreciated publicly for their good performance of work. They feel motivated and try to perform at higher level. For example, congratulating the employee for good performance, certificate or award for best performance, rewarding a worker for giving valuable suggestions.
 - vi. **Job security:** Employee wants their job to be secure. Job security ensures stability of income which motivates employee to work with greater zeal.
Negative Aspect: The one negative aspect of the job security is that when people feel that they are not likely to lose their jobs, they may become complacent.
 - vii. **Employee participation:** It is concerned with involving employees in the decision making process on issue concerned with them. In simple words, employee participation has been considered a good technique for motivation.
 - viii. **Employee Empowerment:** Empowerment refers to giving more freedom and powers to the subordinates. The main purpose of empowerment is to make people feel that their jobs are important so that they can contribute more positively.
15. **Democratic leadership** in an organization involves the redistribution of power and authority between employees and managers to provide employee involvement in decision making.

Disadvantages of Democratic Leadership:

1. It tends to become apologetic.

In the democratic leadership style, leaders would foster an environment where individuals expect their idea to be implemented. However, only one should be implemented, which means that leaders will have to take some of their time to apologize and smooth things out with members whose ideas were not implemented.

2. It is time-consuming.

The consultation process under this approach could result in procrastination, which means that leaders cannot work within a required timeframe, which can be bad for urgent projects or issues.

3. It takes long to process decisions.

Somehow related to the previous disadvantage, the decision-making process under this leadership style might be a long drawn, as every team member must be consulted. Also, putting all ideas in place requires a great deal of understanding and patience.

4. It can seem to be uncertain.

Democratic leaders would sometimes become indecisive in certain situations, especially during a crisis. These individuals would not function well in an authoritarian role.