

BUSINESS STUDIES



Important Questions

Multiple Choice questions-

Question 1. Which of the following is an example of Non-financial incentives?

- (a) Recognition
- (b) Job Security
- (c) Status
- (d) All of the above

Question 2. The software company promoted by Narayana Murthy is

- (a) Infosys
- (b) HCL
- (c) Satyam
- (d) Wipro

Question 3. Esteem needs are concerned with _____

- (a) Affection
- (b) Prestige and Self-respect
- (c) Friendship
- (d) Acceptance

Question 4. Grapevine is

- (a) Formal communication
- (b) Informal communication
- (c) Lateral communication
- (d) Barrier to communication

Question 5. Directing is concerned with the following elements _____

- (a) Communication
- (b) Supervision and Motivation
- (c) Leadership
- (d) All of the above

Question 6. Two way communication technique is used under _____

- (a) Laissez Faire
- (b) Democratic style



Swotters

- (c) Autocratic style
- (d) None of the above

Question 7. Hierarchy Theory of Motivation was given by _____

- (a) Abraham Maslow
- (b) Peter Maslow
- (c) Henry Maslow
- (d) David Maslow

Question 8. Which of the following is not a leadership style?

- (a) Free-rein
- (b) Autocratic
- (c) Democratic
- (d) Dictatorship

Question 9. Which of the following is a financial incentive?

- (a) Job Security
- (b) Promotion
- (c) Employee Participation
- (d) Stock Incentive

Question 10. Status comes under the following type of barriers

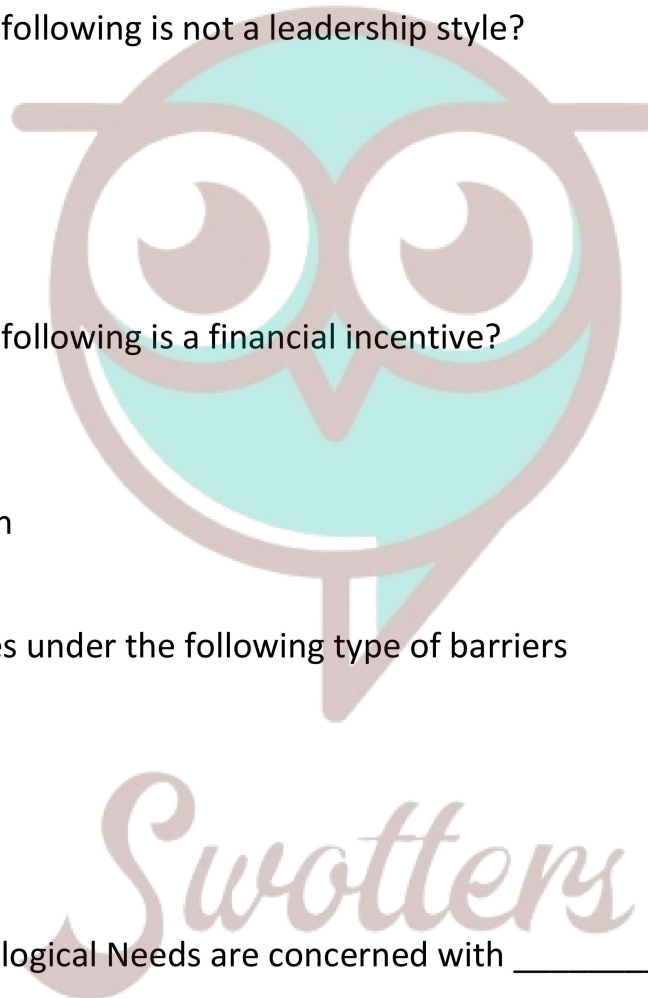
- (a) Psychological barrier
- (b) Semantic barrier
- (c) Non Semantic barrier
- (d) Organisational barrier

Question 11. Basic Physiological Needs are concerned with _____

- (a) Shelter
- (b) Hunger
- (c) Thirst
- (d) All of the above

Question 12. Supervision means _____

- (a) Planning for the future
- (b) Starting a business
- (c) Fulfilment of legal formalities



(d) Overseeing what is being done by subordinates

Question 13. Bonus, Promotion and Recognition are the example of _____

- (a) Controlling
- (b) Positive Motivation
- (c) Staffing
- (d) Planning

Question 14. The process of converting the message into communication symbols is known as

- (a) Decoding
- (b) Encoding
- (c) Feedback
- (d) Media

Question 15. Which of the following is not an element of the communication process?

- (a) Communication
- (b) Channel
- (c) Receiver
- (d) Decoding

Very Short-

- 1) Mention the elements of directing?
- 2) Explain how directing is a pervasive function of management.
- 3). Mention one barrier to effective communication.
- 4). Give any one measure to improve communication.
- 5).It is concerned with instructing guiding and inspiring people in the organization to achieve its objectives. Name it.
- 6) Every manager from top executive to superior performs the function of directing. Which characteristic of directing is referred here?
- 7) It means overseeing the subordinates at work. Which element of directing is referred to?
- 8) Supervisor acts as a link between workers and management. How?
- 9) It refers to the way in which urges, drives, desires, aspirations, strivings or needs direct control and explain the behavior of human beings. Which element of directing is indicated here?
- 10) Motivation can be either positive or negative. Give two examples of negative motivation.

Short Questions-

- 1) What is meant by Directing? Explain the importance of directing?
- 2). 'Directing is the least important function of management.' Do you agree with this statement? Give any two reasons in support of your answer.
- 3). "The post of supervisor should be abolished in the hierarchy of managers". Do you agree? Give any three reasons in support of your answer.
- 4). What is meant by 'Esteem needs' and 'Self-actualization needs' in relation to motivation of the employees?
- 5). It is through motivation that managers can inspire their subordinates to give their best to the organisation'. In the light of this statement, explain, in brief, the importance of motivation.
- 6). "All managers are leaders, but all leaders are not managers." Do you agree with this statement? Give any three reasons in support of your answer.
- 7) Explain the various leadership styles?
- 8). Explain three advantages and three disadvantages of democratic leadership.
- 9). Mention features of democratic leadership style?
- 10). Mention the characteristics of laissez-faire leadership style.

Long Questions-

- Question 1. Explain the nature and importance of communication in today's changing business world.
- Question 2. Explain the nature and importance of Motivation.
- Question 3. Explain in brief the importance of supervision.
- Question 4. Explain in brief the elements of the communication process.
- Question 5. Explain in brief the functions of a supervisor.
- Question 6. What is the importance of leadership? Explain.

Case Study Based Question-

1. Smita had been working as an assistant manager with 'Johnson Enterprises' for the last ten years. She was very popular amongst her colleagues because of her commitment and dedication towards the work. When the manager senior to her retired, all her colleagues thought that now Smita would be promoted. But to everyone's surprise, the vacant post was filled by an outsider, Mrs. Rita. Smita felt demoralised, and her performance started declining. She would abstain herself often and could not meet her targets.

Mrs. Rita was a good leader, who would not only instruct her subordinates but would also

guide and inspire them. She noticed Smita's behaviour and felt that her performance could be improved. She started involving Smita in decision making- issues related to the organisation and made her a part of high-level joint management committee. Smita was now punctual in office identifying, and her performance started improving.

- a. Identify the function of management being performed by Rita.
 - b. Name the element of the above function of management which helped Rita to improve Smita's behaviour.
 - c. State any three features of the element identified in (2) above.
2. Umang Gupta is the Managing Director of Denver Ltd. The company had established a good name for itself and had been doing well. It was known for timely completion of orders. The Production Manager, Ms. Kanta was efficiently handling the processing of orders and had a team of fourteen motivated employees working under her. Everything was going on well. Unfortunately she met with an accident. Umang knew that in the absence of Ms. Kanta, the company may not be able to meet the deadlines. He also knew that not meeting the deadlines may lead to customer dissatisfaction with the risk of loss of business and goodwill. So, he had a meeting with his employees in which accurate and speedy processing of orders was planned. Everybody agreed to work as team because the behaviour of Umang Gupta was positive towards the employees of the organisation. Hence everyone put in extra time and efforts and the targets were met on time.
- Not only this, Umang visited Ms. Kanta and advised her to take sufficient rest.
- a. Identify the leadership style of Umang Gupta and draw a diagram depicting the style.
 - b. State any two values highlighted by the behaviour of Umang Gupta.

Assertion Reason Question-

1. In these questions, a statement of assertion followed by a statement of reason is given. Choose the correct answer out of the following choices.
 - a. Assertion and reason both are correct statements and reason is correct explanation for assertion.
 - b. Assertion and reason both are correct statements but reason is not correct explanation for assertion.
 - c. Assertion is correct statement but reason is wrong statement.
 - d. Assertion is wrong statement but reason is correct statement.

Assertion (A): Informal Communication arises from the social interaction of people.

Reason (R): The information system of communication is generally referred to as the Grapevine.

2. In these questions, a statement of assertion followed by a statement of reason is given.

Choose the correct answer out of the following choices.

- a. Assertion and reason both are correct statements and reason is correct explanation for assertion.
- b. Assertion and reason both are correct statements but reason is not correct explanation for assertion.
- c. Assertion is correct statement but reason is wrong statement.
- d. Assertion is wrong statement but reason is correct statement.

Assertion (A): Job Security often makes people complacent and they do not perform efficiently.

Reason (R): There is no risk of job in case of Job Security.

Multiple Choice Answers-

1. Answer: (d) All of the above
2. Answer: (a) Infosys
3. Answer: (b) Prestige and Self-respect
4. Answer: (b) Informal communication
5. Answer: (d) All of the above
6. Answer: (b) Democratic style
7. Answer: (a) Abraham Maslow
8. Answer: (d) Dictatorship
9. Answer: (d) Stock Incentive
10. Answer: (d) Organisational barrier
11. Answer: (d) All of the above
12. Answer: (d) Overseeing what is being done by subordinates
13. Answer: (b) Positive Motivation
14. Answer: (b) Encoding
15. Answer: (a) Communication

Very Short Answer-

1. Ans: 1) supervision 2) motivation 3) leadership 4) communication
2. Ans. Directing is a pervasive function as every manager from top executive to superior performs it.
3. Ans. Poor listening skills of people.

4. Ans. Communicate according to the needs of receiver.
5. Ans. Directing
6. Ans. Directing takes place every level of management.
7. Ans. Supervision.
8. Ans. Supervisor conveys management ideas to the workers on one hand and workers problems to the management on the other.
9. Ans. Motivation.
10. Ans. a) Stopping increments b) Treating

Short Answers-

1. Ans: Directing is telling people what to do and seeing that they do it to the best of their ability. It includes making assignment, explaining procedures, seeing their mistakes are corrected, providing on the job instructions and issuing orders.

Importance of Directing: –

1. It initiates action. It integrates employees' efforts
3. It is the means of motivation
4. It facilitates implementing changes.
5. It creates balance in the organization

2. Ans: No, I don't agree with this statement.

Importance of direction: Direction may be regarded as the heart of the management process. It is explained under the following parts:

- a).Initiates action: All organizational activities are initiated through direction.
- b).Integrates employees' efforts: At all levels of management the subordinates under the managers.
Managers integrate the work of subordinates.
- c).Means of motivation : Directing helps in motivating employees towards organizational goals.

3. Ans. No, I don't agree, because a supervisor performs the following functions to achieve organization goals.

Functions of the supervisor:

- a).Planning the work: The supervisor has to determine 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). Explains the policies and programmes of the organization to his subordinates and provide guidance

e). Make necessary arrangement for supply of materials and ensure they are efficiently utilized.

f). Deviations from the target if any are to be rectified at the earliest.

g). To help the personnel departments in recruitment and selection of workers.

4. Ans. 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 is the needs to be what one is capable of becoming and includes needs for optimal development.

5. Ans. Importance of motivation:

i. Motivation sets in motion the action of people: Motivation builds the will to work among

employees and puts them into action.

ii. Motivation includes the efficiency of work performance: Performance of employees dependence not only on individual abilities but also on his willingness.

iii. Motivation ensures achievement of organizational goals: If employees are not motivated, no purpose can be served by planning organizing and staffing.

iv. Motivation creates friendly relationships: Motivation creates friendly and supportive relationships between employer and employees.

v. Motivation leads to stability in the employees: Motivation helps in reducing absenteeism and turnover.

vi. Motivation helps to change negative / indifferent attitudes of an employee

6. Ans. Yes, I agree with this statement.

Difference between leadership and management:

| Basis | Leadership | Management |
|---------------|---|---|
| Origin | Leadership originates out of individual influence | Management originates out of official power and rights. |
| Formal Rights | A leader has no formal rights | A manager has certain formal rights |
| Follower & | A leader has followers | A manager has subordinates |

| | | |
|--------------|--|--|
| subordinates | | |
|--------------|--|--|

7. Ans):Autocratic leadership style: This style is also known as leader centered style. The leader keeps all the authority and employees have to perform the work exactly as per his order. He does not decentralizes his authority. The responsibility of the success or the failure of the management remains with the manager.

Democratic leadership: This style is also known as group centered leadership style. Managerial decisions are not taken by the manager in consultation with employees. This leadership style is based on decentralization. Managers respect the suggestions made by his sub ordinates.

Laissez-faire leadership style: this style as leadership is also known as free brain leadership or individual centered style. The manger takes little interest in managerial functions and the sub ordinates are left on their own. Manager explain over all objectives; help sub- ordinates in determining their own objectives. They provide resources. They also advise the employees.

8. Ans. Advantages:1.Democratic leadership style advantages,2.Morale,3.Creation of more efficiency and productivbity,4.Availability of sufficient time for constructive work

Disadvantages:1.Requirement of educated sub ordinates 2.Delay in decisions 3.Lack of responsibility and managers

9. Ans.

- 1) co-operative relations
- 2).Relief in employees
- 3).Open communication

10. Ans. Full faith in sub- ordinates

- 1).Independent decision making system
- 2).Decentralization of authority
- 3).Self directed

Long Answers-

1. Answer:

Nature Of Communication:

The foregoing definitions reveal the following characteristics of communication –

1. Pervasive Function: Communication is required at all levels of management and in all departments of the organization. It is an indispensable part of the management process. It is an activity of each and every manager. Therefore, communication is regarded as a pervasive

function.

2. Continuous Process: Communication is an ongoing process that has to be in regular touch with their subordinates and superiors to maintain and improves performance.
3. Two-Way Process: Communication is a two-way process. It includes sending a message and the response to that message. It is not complete until the reaction or response to the message is available. The reaction or response is known feedback.
4. Circular Process: Communication becomes a circular process with feedback. The flow of communication is a circular one.
5. Two or more Parties: It requires at least two persons to complete the process of the communication-a sender with the message and a receiver who must understand the message and respond to it.
6. Understanding: The receiver may or may not agree with the point of view of the sender of the message. However, for communication to be complete, the receiver must understand the message in the same sense as intended by the sender.

Importance Of Communication:

Communication is an indispensable part of the process of management. Non an organization can survive and grow without an effective system of communication. Since the job of a manager is to get things done through others, he has to spend a major portion of his time on communication. The first executive function is to develop and maintain a system of communication. Most of the problems of management arise due to a lack of understanding. Therefore, communication's the number one problem of management today:

Sound communication offers the following benefits:

1. Basis of Planning and Decision Making Communication is essential for decision-making and planning: The quality of managerial depends on the quality of communication (amount and quality of information available to the organization) Communication provides the necessary information with the help of which managers can diagnose problems, evaluate alternative courses of action and choose the right alternative.

Realistic Planning and sound decision making is not possible without accurate information through communication, for example, the entire sales plan of an enterprise may fail if the information about the latest market condition is not available to management. At the same time, the decisions and plans of management need to be communicated to the subordinates. Effective communication is also helpful for the proper implementation of plans and policies of the management.

2. Smooth and Efficient Operation: An effective communication system serves as a lubricant, fostering the smooth and efficient functioning of the enterprise. The achievement of goals of the enterprise is of paramount importance and communication is one of the important tools available to the manager to attain them. It is through communication that a manager issues

orders and instructions and changes and regulates the behavior of subordinates in the desired direction. Effective communication promotes managerial efficiency and facilitates leadership.

3. Facilitates Coordination: In every organization, the work to be done is divided among several interrelated departments and sections. The activities and efforts of different individuals and groups must be coordinated. Communication is the most effective means of creating cooperation and coordination. The exchange of ideas and information helps in bringing about the unity of action in the pursuit of a common purpose.

Communication binds people together. Group meetings used in coordination involve the exchange of ideas and knowledge and the transfer of information and understanding. Communication is at the root of all group activity. It is through coordination that managers come closer to employees. Interaction and discussion between the two sides improve the superior-subordinate relationships.

4. Employee Motivation and Moral: Communication helps management to keep the employees fully informed about the plans, job changes, etc. The motivation and morale of employees tend to be high when they clearly understand what they are supposed to do. Sharing of information with employees and discussion with them on matters of common interest provide satisfaction to employees.

Communication is the means by which employees can bring their suggestions, difficulties, and grievances to the notice of the management. Upward communication ensures greater job satisfaction and stimulates worker's enthusiasm and loyalty towards the enterprise. Effective communication satisfies the personal and social of employees.

5. Sound Industrial Relations: Effective communication helps to create mutual understanding and trust between the employer and the employees. It enables the management to come into close contact with workers. It serves as a bridge between management and labor and creates a spirit in the organization. Thus, an effective communication system is a prerequisite for good labor-management relations.

6. Industrial Democracy: Communication is essential for worker's participation in management. It is helpful in the delegation and decentralization of authority. Effective communication is the basic training and development of managerial personnel. The process of leadership itself depends upon effective communication.

Public Relations: In the modern business world, every business enterprise must create and maintain a good corporate image in society. Communication is an indispensable means of developing a favorable public opinion. It is through communication that management can keep cordial relations with the government, trade unions, customers, and the community.

In modern business the role of communications has increased due to the following reasons:

- (a) Increasing size of organizations.
- (b) Growing complexities in decision making.

- (c) Rapid changes in technology.
- (d) Need for better industrial relations.
- (e) Growth of trade union movements.
- (f) Need to improve public relations,
- (g) Increasing Competition.

2. Answer:

Importance Of Motivation:

The success of an organization to a great extent depends upon the motivation of its employees. By motivating employees, managers can obtain their best performance towards the achievement of organizational and individual goals. Motivation is the core of management due to the following reasons.

1. **Higher Efficiency:** The level of performance of employees in an organization depends on their abilities and willingness to work hard. Motivation bridges the gap between the ability to work and willingness to work. It induces employees to contribute their maximum efforts to achieve a higher level of performance. Therefore, motivation helps in increasing production and reducing the cost of operations.
2. **Optimum utilization of Resources:** Every organization has physical, financial, and human resources. Effective utilization of physical and financial resources requires competent and motivated people. Motivation creates the willingness to work among employees. It enables managers to achieve the best possible utilization of all resources.
3. **Achievement of Organisational Goals:** The objectives of an organization cannot be realized unless the people working in it are motivated to work hard contribute their best towards the fulfillment of the assigned tasks. Management can secure the willing cooperation of subordinates towards the accomplishment of organizational goals by satisfying their needs through appropriate rewards. Motivated employees fully cooperate with management in achieving the desired results.
4. **Stability in the Workforce:** Motivation creates confidence in employees. It helps to improve their loyalty and commitment towards the organization. As a result, the rates of labor absenteeism and labor turnover are reduced. This leads to the maintenance of a stable workforce. The knowledge skills and experience of employees continue to be available to the organization.
5. **Cordial Relations:** Motivation brings satisfaction among employees through monetary and non-monetary rewards. Therefore, it leads to a friendly and supportive relationship between the employer and employees. Industrial disputes are reduced and the morale of employees is increased.
6. **Facilitates change:** Effective motivation helps management in overcoming resistance to change motivated employees and to support all changes that are in the interest of the

organization. This is because they identify their own progress with the prosperity of the enterprise.

7. Corporate lineage: When the employees of an organization are motivated and satisfied, the organization makes rapid progress and its reputation improves. Thus, motivation helps in building a better image of the enterprise. As a result, the enterprise is able to attract qualified and competent people.

3. Answer:

Supervision: The term supervision can be understood in two ways. Firstly, it can be understood as an element of directing and secondly as a function performed by supervisors in the organizational hierarchy.

As an element of directing every manager in the organization supervises their subordinates. In this sense, supervision can be understood as the process of guiding the efforts of employees and other resources to accomplish the desired objectives. It means overseeing what is being done by subordinates and giving instructions to ensure optimum utilization of resources and achievement of work targets.

Secondly, supervision can be understood as functions to be performed by a supervisor, a managerial position in the organization hierarchy at the operative level i.e., immediately above the worker. The functions and performance of a supervisor are vital to any organization because he is directly related to workers whereas other managers have no direct touch with bottom-level workers.

Importance of Supervision:

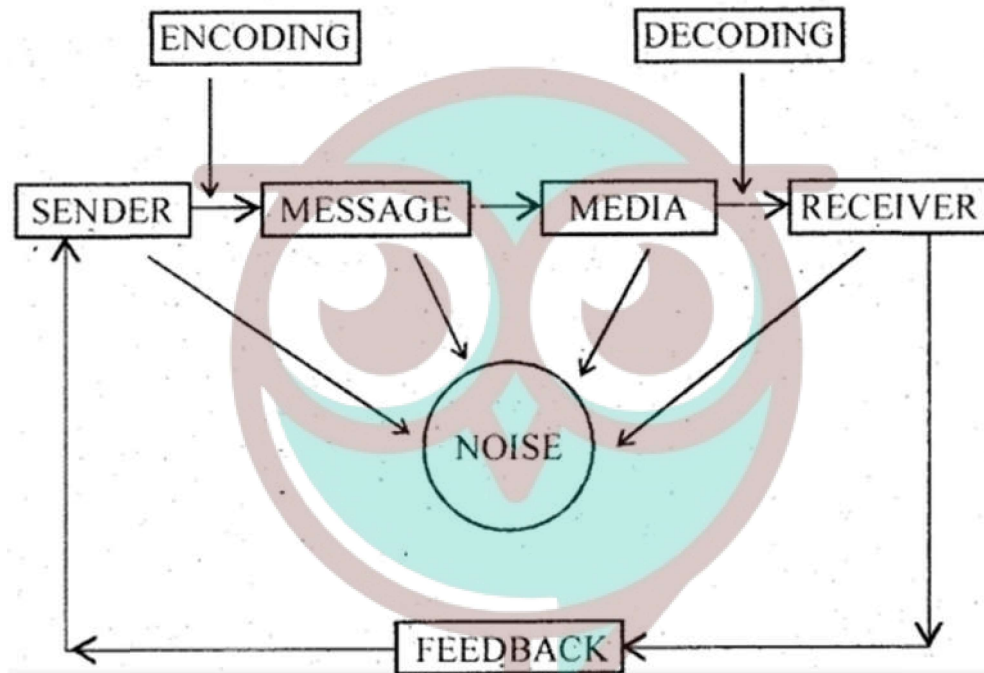
The importance of supervision can be understood from multiple roles performed by a supervisor. These are explained below.

1. Supervisor maintains day to day contact and maintains friendly relations with workers. A good supervisor acts as a guide, friend, and philosopher to the workers.
2. Supervisor acts as link-between workers and management. He conveys management ideas to the workers on one hand and workers' problems to the management on the other. This role played by the supervisor helps to avoid misunderstandings and conflict between management and workers/employees.
3. Supervisor plays a key role in maintaining group unity among workers placed under his control. He sorts out internal differences and maintains harmony among workers.
4. Supervisor ensures the performance of work according to the targets set. He takes responsibility for task achievement and motivates his workers effectively.
5. Supervisor provides good on-the-job training to the workers and employees. A skilled and knowledgeable supervisor can build an efficient team of workers.
6. Supervisory leadership plays a key role in influencing the workers in the organization. A supervisor with good leadership qualities can build up high morale among workers.

7. A good supervisor analyses the work performed and gives feedback to the workers. He suggests ways and means of developing work skills.

4. Answer: Elements Of Communication P: Communication has been defined as a process. This process involves the elements like source, encoding, media/channel, receiver, decoding, noise, and feedback. The process is represented in the figure below.

Communication Process



The elements involved in the communication process are explained below –

1. Sender: Sender means a person who conveys his thoughts or ideas to the ' receiver. The sender represents a source of communication.
2. Message: It is the content of ideas, feelings, suggestions, order, etc. intended to be communicated.
3. Encoding: It is the process of converting the message into communication symbols such as words, pictures, gestures, etc.
4. Media: It is The path through which an encoded message is transmitted to the receiver. The channel may be in written form, face to face, phone call, internet, etc.
5. Decoding: It is the process of converting encoded symbols of the sender.
6. Receiver: The person who receives communication from the sender.
7. Feedback: It includes all those actions of the receiver indicating that he has received and understood the message of the sender.
8. Noise: Noise means some obstruction or hindrance to communication.

The hindrance may be caused to sender, message, or receiver. Some examples of noise are:

- (a) Ambiguous symbols that lead to faulty encoding.
- (b) A poor telephone connection.
- (c) An inattentive receiver.
- (d) Faulty decoding (attaching wrong meanings to message)
- (e) Prejudices obstructing the poor understanding of the message.
- (f) Gestures and postures that may distort the message.

5. Answer: Functions of a supervisor:

The function performed by a supervisor are briefly discussed below –

1. **Preparation of Work Schedules:** Scheduling involves laying down the time for starting and completing various activities. The supervisor determines the schedules of work for every individual in his unit or section. This is done to ensure a steady flow of work.
2. **Improving Communication:** The supervisor maintains direct contact with the subordinates which leads to effective communication. He also provides leadership to the workers of his department. He fixes production targets for them and provides them the necessary guidance for doing the work assigned to them.
3. **Optimum Utilisation of Resources:** The supervisor issues orders and instructions to the workers for achieving coordination in section. He tells them what to do and how to do it so that they may utilize machines, materials, money, and methods effectively.
4. **Providing Motivation:** The supervisor motivates his subordinates by providing financial and non-financial incentives. He inspires them for higher quality and productivity.
5. **Control of Performance:** The supervisor controls the performance of the workers by comparing their performance with the standards. He takes necessary action to ensure that goods are produced according to the predetermined standards. He also provides feedback to the subordinates about their performance and gives them counseling for improvement.
6. **Reporting:** The supervisor keeps records of output and other related aspects of each employee. On the basis of records, he sends performance reports and other necessary information to his superior.
7. **Link Between Management and Workers:** The supervisor is an important link between the management and the workers. He explains management policies to the workers and also passes on the management's instructions. He has close contact with the workers and tries to understand their problems. He brings worker's problems to the notice of the top management.
8. **Human Relations:** A supervisor tends to achieve good human relations in his unit. He can mix up with the workers and share their joys and sorrows. He also settles conflicts between workers or groups of workers.
9. **Grievance Handling:** A supervisor is in direct touch with the workers, so he can handle

their grievances effectively. When a grievance is reported, he listens to the worker's viewpoint and tries to remove the cause of grievance. But if he can't redress the grievance he should report it to the upper-level management.

6. Answer: Importance of Leadership:

Leadership is considered the most important element of the directing function of management. It supports all other managerial functions by assisting in the formulation and execution of plans. Good leadership provides the following benefits.

1. Clarification of Goals: A leader interprets and explains the objectives of the group to his followers. As a result, the members of the group know the targets to be achieved and the contribution, each of them is to make towards common objectives. They are not likely to go astray and will continue in the right direction.

2. Motivation: A good leader creates- an urge for higher performance among people. He creates self-confidence and enthusiasm among his subordinates. He converts lukewarm desire into a burning passion for success. A sound leader can create an environment conducive to hard work. He directs the potential talent of employees towards the achievement of goals.

3. Moral Building: A leader builds up dedication and loyalty among a group of people. He develops mutual cooperation and self-discipline among people. The persons become ready to sacrifice even their lives for the good of the common goal. Under a good leader, people work willingly and enthusiastically. The leader encourages subordinates to take initiative and provides psychological support to them. He serves as a friend, philosopher, and guide for his group.

4. Teamwork: An organization can be successful only when all its members work together as a team rather than going in different directions. It is the leader who creates team spirit and coordination among different members of the group. He resolves internal conflicts and differences, of opinion. He serves as an arbitrator and mediator among the members. A leader harmonizes the personal goals and aspirations of subordinates with the goals of the organization as a whole.

5. Creates dynamic environment: In the dynamic environment of today, frequent changes are required in the structure and working of an organization. But change creates uncertainty and inconvenience. Therefore, people tend to resist change. A good leader persuades people to accept and carry out the desired changes. A leader is an important agent of organizational change and development. He provides psychological support to his followers.

6. Representation: A leader serves as the representative of his followers. He protects their interest and serves as their guardian. He acts as their spokesman and bargains with the outside forces for the welfare of the groups. A true leader upholds the interests of his followers and attempts to fulfill their hopes and aspirations. He is always ready to solve the problems of his followers. A leader manager represents his organization in business

meetings, trade conferences, government committees, and so on.

Competent leadership is required at all levels of management. All managers must provide leadership so as to create an urge in the employees to cooperate and improve their performance towards the achievement of organizational objectives.

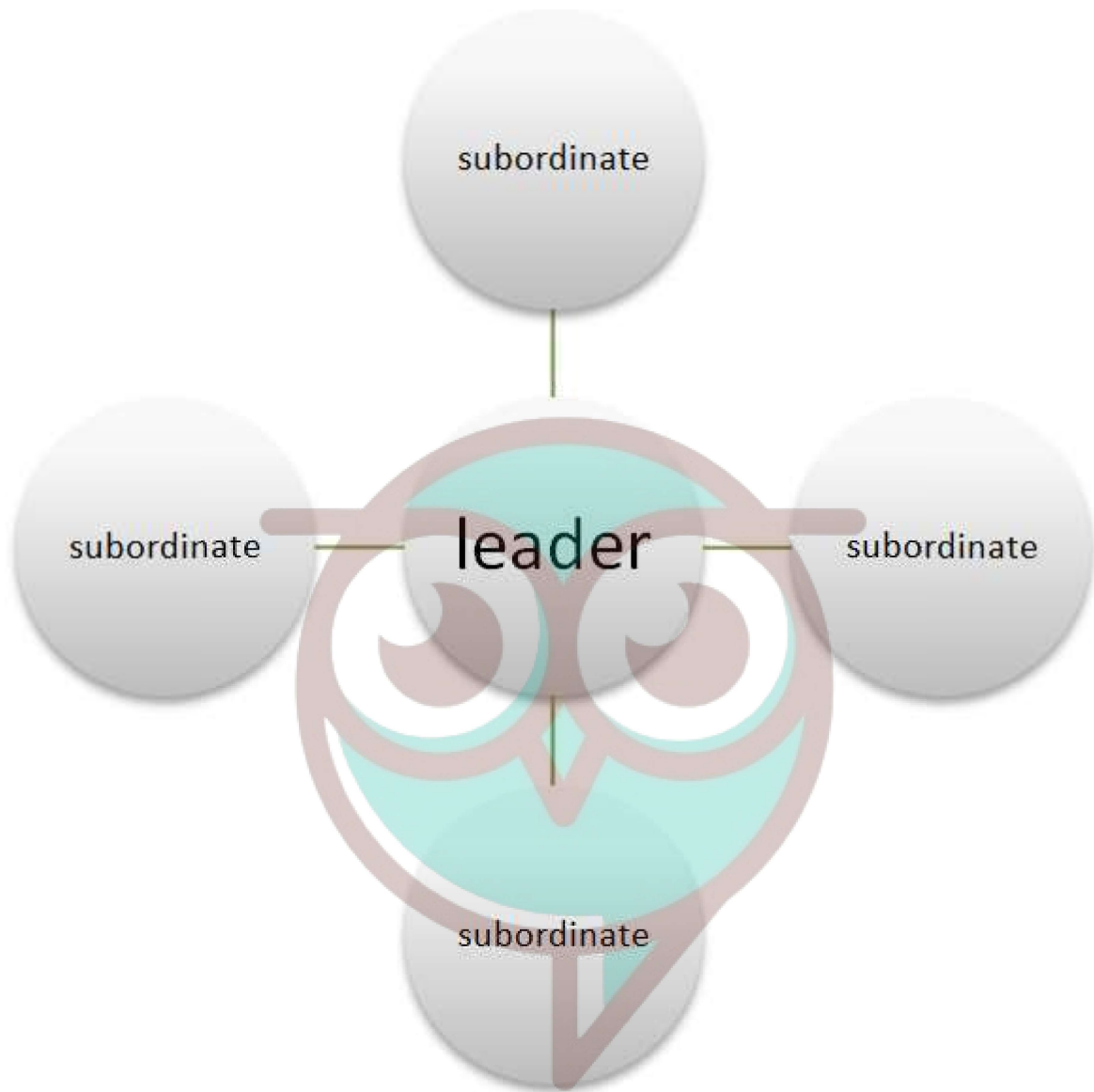
Case Study Answer-

1. Answer:

- a. **Directing** is a complex managerial function consisting of all the activities that are designed to encourage subordinates to work effectively. It includes supervision, motivation, communication and leading.
- b. **Motivation:** Motivation is the process of stimulating people to action to accomplish desired goals of organisation. It is an internal feeling of an individual and leads to goal directed behaviour. Motivation is mainly based on needs of individuals. It helps individuals and groups in the organisation for improved performance.
- c. **Features of motivation:**
 - Motivation is an internal feeling. The urge, drives, desires, aspirations, striving or needs of human being, which are internal, influence human behaviour
 - Motivation can be either positive or negative. Positive motivation provides positive rewards like increase in pay, promotion, recognition etc. Negative motivation uses negative means like punishment, stopping increments, threatening etc. which also may induce a person to act in the desired way.
 - Motivation is a complex process as the individuals are heterogeneous in their expectations, perceptions and reactions. Any type of motivation may not have uniform effect on all the members.

2. Answer:

- a. **Democratic or Participative leader:** A democratic leader will develop action plans and makes decisions in consultation with his subordinates. He will encourage them to participate in decision making. This kind of leadership style is more common nowadays, since leaders also recognize that people perform best if they have set their own objectives. They also need to respect the other's opinion and support subordinates to perform their duties and accomplish organizational objectives. They exercise more control by using forces within the group.



b. Two values highlighted by the behavior of Umang Gupta are:

Positive attitude of Umang towards the employees was really very appreciable.

Team spirit: Umang believed that working together as a team will surely pave way for success.

Assertion Reason Answer-

1. b. Assertion and reason both are correct statements but reason is not correct explanation for assertion.
2. a. Assertion and reason both are correct statements and reason is correct explanation for assertion.