



### Application Type Questions

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.

Ans: The supervisor can take help of monetary incentives to motivate the workers. Their wages can be linked to productivity, they can earn more incentives besides wages by producing goods. Supervisor should also play the role of a good leader and encourage them to accept any kind of work as it would lead to increase exposure to the industry and better job prospects.

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 managers.

Ans: To overcome the problem, the production manager should take the following measures

- (i) Arrange necessary training programmes
- (ii) Prepare a work schedule.
- (iii) Recommend the cases of the workers for promotion, rewards, transfer, punishment etc.
- (iv) Proper availability of materials, machines and tools for the workers.
- (v) Delegate sum of his authorities.

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

Ans: The manager should adopt more friendly approach towards the workers. The manager should encourage a system of two-way communication, provide an outlet to workers to share their feelings, suggestions and problems.

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: Excess of everything is bad. More use of informal communication is resulting in this problem. A proper chain of command should be established. Only the necessary information should be passed through chain of command. The employees will not be allowed to communicate at all levels. This will save time and more discipline.

### Case Problem

Y limited is a bank functioning in India. It is planning to diversify into increase business. Lately, the Government of India has allowed the private sector to gain entry in the increase 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.

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

Ans: The company can supervise its employees and agents by taking the following steps

- (i) Training programmes should be organised.
- (ii) Make them understand the various policies so that they can convince their clients.
- (iii) Establishing targets for them and also monetary incentives.
- (iv) Regularised system for submission of periodical reports of their performance.

The benefits of the above steps will be

- (i) Trained personnel will give better performance. They can improve upon their skills.
- (ii) Knowledge of the products of the insurance company will ensure better satisfaction for the clients.
- (iii) They will compete to give better performance and earn higher incentives.
- (iv) It will help in identifying the areas where workers and agents need specialised training programmes.

2. What financial and non financial incentives can the company use for employees and agents separately to motivate them. What benefits company will get from them?

Ans:

Incentives for Employees

- (i) Financial
  - (a) Productivity linked wage incentive
  - (b) Bonus
  - (c) Co-partnership
  - (d) Employee stock option
- (ii) Non-financial
  - (a) Job-security
  - (b) Status
  - (c) Employee empowerment
  - (d) Employee recognition programme

Incentives for Agents

- (i) Financial
  - (a) Commission
  - (b) Bonus like paid vacation
- (ii) Non-financial Incentive
  - (a) Cordial relationship
  - (b) Career advancement opportunity
  - (c) Job enrichment
  - (d) Recognition programmes like certificate of merit etc.
  - (e) Company achieves the motivation among the employees and they will contribute more in achieving targets.

3. How can the company ensure that higher order needs z. e., the esteem and self actualisation needs are met?

Ans: The higher order needs can be satisfied through

- (i) Career advancement opportunity
- (ii) Assignment of challenging job
- (iii) Perquisites
- (iv) Participation in management decisions

4. Identify the qualities of leadership in this line of business that the company manager must possess to motivate employees and

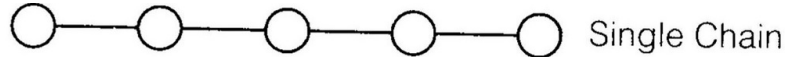
agents.

Ans: The qualities of leaders which the manager of the insurance company must possess are

- (i) Intelligence
- (ii) Good communication skills
- (iii) Self confidence, integrity and honesty
- (iv) Good listener
- (v) Pleasing personality

5. Give a model of formal communication system that the company can follow. Identify the barriers in this model, how can they be removed?

Ans: The most suitable model for formal communication



Barriers to Effective Communication:

(i) Barriers Due to Organisational Structure

An organisational structure is complex with numerous levels in between which creates distance between the top management and the workers. With long lines of communication, there is possibility of message losing its significance.

(ii) Psychological Barriers:

Every one perceives information in the light of their own experiences, prejudices and thinking.

(iii) Inability to Communicate:

The lack of ability to communicate leads to misunderstanding and confusion. Different people have different meaning for same words.

(iv) Status and Position:

Sometimes, effective flow of communication is hampered by status and position of the sender and receiver.

Measures to Overcome the Barriers:

(i) Clarity in the thoughts of the sender is must for effective communication.

(ii) The sender should try to make the message meaningful and understandable.

(iii) Message should be precise and to the point.

(iv) The sender should always take the feedback from the receiver.

6. How can informal communication help to supplement formal communication model given by you in answer to question?

Ans: Informal communication takes place outside the official channels of communication. It fills the gaps that might exist in the formal communication. Merits of Informal communication are

- (i) It helps the members to discuss the matters which cannot be discussed at the official level.
- (ii) It is a way of knowing the reactions and opinions of the people about a change.
- (iii) It helps in building team spirit.
- (iv) The information flows at a faster speed.

\*\*\*\*\* END \*\*\*\*\*