

Solution: SETA

1. (b) Coordination integrates group efforts
2. (b) Middle Level
3. (c) Functional foremanship
4. d) Both the statements are false
5. a) Social Environment, Technological environment
6. b) Both A and R are true, but R is not the correct explanation of A
7. a) rule
8. (a) (A), (B) and (C) only
9. (d) (A) - (III), (B) - (IV), (C) - (II), (D) - (I)
10. (c) Staffing
11. (d) (3), (2), (4), (1)
12. c) (i) Recruitment (ii) Training
13. a) Formal Communication
14. c) Employee participation
15. c) Both the statements are true
16. d) Improving employee's motivation
17. d) Societal marketing concept.
18. c) Personal selling
19. c) Social responsibility
20. (a) Let the seller be beware

21. (a) **Esprit de Corps:** This principle forces on promoting team spirit of unity and harmony among employees.

(b) The features of management that are highlighted in the given paragraph are as follows:

(i) **Goal Oriented:** Management is goal oriented, as it has a pre-defined set of goals towards which the organization works. In the given case, the school has a set of pre-defined goals such as development of students and encouragement of team building. Also, the goal was set for the perfect execution of the Founder's Day Programme.

(ii) **Group Activity:** Management is a group activity, as it involves the collective efforts of various individuals working in the group. In the given case, the efforts of all the students and prefects were pulled in with mutual trust and support.

22. 1. Two concepts, which reflects the transition in the role of Neetu in the above paragraph are **Delegation and Decentralization**

2. Differences (any two)

Basic		Delegation	Decentralization
1	Meaning	It refers to entrustment of responsibility and authority from a superior to his Subordinate.	It refers to systematic delegation of authority to the lower levels in the organization.
2	Purpose	To lessen the burden of the manager	To increase the role of the subordinates in the organization by giving them more autonomy

3	Scope/Parties involved	It has narrow scope as it is limited to superior and his immediate subordinate	It has a wide scope as it implies extension of delegation to the lowest level of management
4	Status	It is a process followed to share tasks	It is the result of the policy decision of the top management
5	Nature	It is compulsory because no individual can perform all tasks on his own	It is optional because it is done at the discretion of the top management.
6	Freedom of action	More control by superiors hence less freedom to take own decisions.	Less control over executives hence greater freedom of action.
7	Withdrawal of authority	Delegated authority can be withdrawn by the delegator. It is the individual officer's will to continue or withdraw.	Decentralisation authority cannot be withdrawn easily. These authorities can be withdrawn only when the decision is taken to discontinue decentralization

OR

Centralisation means concentration of power of decision making in a few hands. Complete centralisation would imply concentration of all decision making functions at the apex of the management hierarchy. Such a scenario would obviate the need for a management hierarchy.

Decentralisation refers to systematic delegation of authority to the lower levels in the organization. Complete decentralisation would imply the delegation of all decision making functions to the lower level of the hierarchy and this would obviate the need for higher managerial positions.

Both the scenarios are unrealistic.

23. Following are the next three steps in the process of staffing :-

1. **Selection** is the process of choosing from among the pool of the prospective job candidates developed at the stage of recruitment.

2. **Placement and orientation** refers to the employee occupying the position or post for which the person has been selected and introducing the selected employee to other employees and familiarizing him with the rules and policies of the organisation.

3. **Training and Development:** Systematic training helps in increasing the skills and knowledge of employees in doing their jobs through various methods.

Development involves growth of an employee in all respects. It is the process by which the employees acquire skills and competence to do their present jobs and increase their capabilities for higher jobs in future

24. The product related decision, due to which the consumers preferred the products of ABC Crackers Ltd., is the **Branding** - Process of giving name, sign or symbol to product to distinguish your product with that of competitor

Benefits of branding to ABC Crackers Ltd. are (Write any one with explanation))

- i. Helps in product differentiation
- ii. Differential pricing
- iii. Ease in introduction of new product
- iv Helps in display and advertising programs

OR

I) The component of marketing mix being taken into consideration by the company is **Product**

This is an element of Marketing mix which relates to deciding quality , design,features ,size etc.

The three major decision areas under Product mix are :

- 1. Branding
- 2. Packaging
- 3. Labeling

2) The function of marketing highlighted here is **Product designing and Development**

Another important marketing activity or decision area relates to product designing and development. The design of the product contributes to making the product attractive to the target customers. A good design can improve performance of a product and also give it a competitive advantage in the market.

25. (a)It enables the firm to identify opportunities and getting the first mover advantage:

- Opportunities refer to the positive external trends or changes that will help a firm to improve its performance.
- Environment provides numerous opportunities for business success. Early identification of opportunities helps an enterprise to be the first to exploit them instead of losing them to competitors. The firms which are able to scan these opportunities at an early stage get maximum benefit and can leave their competitors behind.
- Examples:

Maruti Udyog became the leader in the small car market because it was the first to recognise the need for small cars in an environment of rising petroleum prices and a large middle class population in India.

Scientific research has come out with an energy efficient light bulb which lasts at least 20 times more than a normal bulb. General Electric and Phillips had identified this discovery and they were first one to come up with these new bulbs

(b)It helps in tapping useful resources:

Environment is a source of various resources for running a business.

- Inputs from environment: To engage in any type of activity, a business enterprise assembles various resources called inputs like finance, machines, raw materials, power and water, labour, etc., from its environment including financiers, government and suppliers. They decide to provide these resources with their own expectations to get something in return from the enterprise.

- Output to environment: The business enterprise supplies the environment with its outputs such as goods and services for customers, payment of taxes to government, return on financial investment to investors and so on.
- Environment as a source of inputs or resources and as an outlet for outputs: Because the enterprise depends on the environment as a source of inputs or resources and as an outlet for outputs, it only makes sense that the enterprise designs policies that allow it to get the resources that it needs so that it can convert those resources into outputs that the environment desires. This can be done better by understanding what the environment has to offer.

A26 The various reasons mentioned in the above paragraph that have made management so important are stated below:

1. **Management increases efficiency** as it leads to reduction in costs due to optimum utilization of resources. “As a result of her excellent managerial competence the company is able to reduce costs and increase productivity.”

2. **Management creates a dynamic organization** so that it is able to incorporate the corresponding changes in its working with any change in its business environment. “The company belongs to infrastructure sector, wherein regular amendments are made in the government regulations and policies. She holds regular meetings to ensure that people in her department are not only aware of the related changes but are also able to adapt to these changes effectively. This helps the company to maintain its competitive edge.”

3. **Management helps in achieving personal objectives** of the employees in the organization. “She motivates and leads her team in such a manner that individual members are able to achieve personal goals while contributing to the overall organizational objective.” “The employees of the company are happy and satisfied with their remuneration, working conditions, promotion policy etc.”

4. **Management helps in the development of society** by contributing effectively towards it in multiple ways. “In the process of fulfilling her duties for the growth of the organization, she helps in providing competitive services, adopting new technology, creating more employment opportunities etc. for the greater good of the people at large.”

OR

Process highlighted above which started at the planning stage itself and is implicit and Inherent in all the functions of management in an organization is coordination .The process by which a manager synchronizes the activities of different departments is known as coordination.

IMPORTANCE OF COORDINATION (any 2 points)

1. **Growth in size:** each individual having his own needs, objectives, Co-ordination brings harmony between individual goals and organisational goals
2. **Functional differentiation:** each department has its own objectives, Co-ordination brings harmony between departmental goals and organisational goals
3. **Specialisation:** Each department is headed by specialists , they do not take suggestions from others ,so conflict ,coordination is required to reconcile the differences in interest or opinion of the specialists.

Sources of external recruitment	Line quoted
Web publishing	The website of 'Sarthak' provides a link to a Careers site where in the people desirous of joining the NGO can use simple Job Search to find the right opportunity for themselves.
Casual callers	The NGO also keeps a database of unsolicited applicants in its office so that job seekers may be notified of future opportunities when they arise

2. Sources of internal recruitment

- i. **Promotion** – Vertical shifting , more pay ,status ,responsibilities
- ii. **Transfer** - horizontal shifting , same pay ,status ,responsibilities

28. 1. the function of management being performed by Ishita is **organizing**

2. First three steps involved in organizing are:

- 1) **Identification And Division Of Work**– identifying and dividing the total work to be done into small activities/job.
- 2) **Departmentalization** –grouping of related jobs into larger units called department/divisions
- 3) **Assignment of Duties**- Allocation of work to the members of each department according to their skills and interests

29. Function of management is needed to ensure that the actual performance is in accordance with the performance as per 'time' and 'motion 'studies **is controlling**

Features of controlling are: (any three)

1. **Controlling is a goal oriented function:**Controlling as a function of management ensures that the overall directions of individuals and groups are consistent with short and long range plans of the organization. So it is completely a goal oriented function.
2. **Controlling is an all pervasive function:**Controlling is a function which is applicable to all types of organizations business and non-business and at all managerial levels.
3. **Controlling is a continuous function:**Control is not a onetime activity. Rather, it is a dynamic process that involves constant analysis of actual and planned performance. The resultant deviations, if any, are corrected as per the need of the situation.
4. **Controlling is both a backward looking as well as forward looking function:** Under controlling past performance is analysed, therefore controlling is backward

looking. On the basis of this past performance analysis, remedial action is taken to make future performance better, in this way controlling is forward looking.

30.(a) i. **Right to Safety:** Consumer has the right to be protected against products, & services which are hazardous to health & life (should use ISI marked electronic devices).

ii. **Right to be Informed:** Consumer has right to have complete information about the product before buying it.

(b) Remedies available to consumer under consumer Protection Act 2019 (any four)

1. To remove the defect in goods or deficiency in service.
2. To replace the defective product with a new one, free from any defect.
3. To refund the price paid for the product, or the charges paid for the service.
4. To pay a reasonable amount of compensation for any loss or injury suffered by the consumer due to the negligence of the opposite party.
5. To pay punitive damages in appropriate circumstances.
6. To discontinue the unfair/ restrictive trade practice and not to repeat it in the future.
7. Not to offer hazardous goods for sale.
8. To withdraw the hazardous goods from sale.
9. To cease manufacture of hazardous goods and to desist from offering hazardous services.
10. Compensate for any loss or injury suffered by consumer under product liability action and withdraw hazardous products from being offered for sale etc.

OR

(a) i. **Right to be assured (choose) :** Consumer has a right to choose any product out of the available products as per his own decision making

ii) **Right to consumer education:** Consumer has the right to acquire knowledge and to be well informed throughout life. He should be made aware of his rights and reliefs available to him in case of the product or service falls short of his expectations. The Govt. of India has included consumer education in the school curriculum & is making use of media to make consumers aware of their rights.

(b) consumer as consumer under consumer Protection Act 2019

a consumer is a person who buys any goods or avails services for a consideration, which has been paid or promised, or partly paid and partly promised, or under any scheme of deferred payment. It includes any user of such goods or beneficiary of services if such use is made with the approval of the buyer. It applies to both offline and online transactions

A31 Importance of Decentralization:

Point of importance	Line quoted
Quick decision making- In a decentralized organization since decisions are taken at levels which are nearest to the point of action and there is no requirement for approvals from many levels, the process is much faster.	“Response does not take time”.

<p>Develops managerial talent for the future- Decentralization gives managers a chance to prove their abilities and creates a reservoir of qualified manpower that can be considered to fill up more challenging positions through promotion.</p>	<p>“Who can get a chance to prove their abilities”.</p>
<p>Develops initiative among subordinates- Decentralization helps to promote self-reliance and confidence amongst the subordinates. It also keeps them in a state wherein they are constantly challenged and have to develop solutions for the various problems they encounter.</p>	<p>“Identifying those executives who have the necessary potential to become dynamic leaders”</p>
<p>Better control- Feedback from levels helps to analyze variances and improve operations.</p>	<p>“This makes it possible to evaluate performance at each level and each department can be individually held accountable for their results.”</p>

32. Lack of initiative . It is a type of personal barrier.

Other personal barriers are:

1. **Fear of challenge to authority:** A superior may withhold or suppress the communication which he perceives is likely to adversely affect his authority.
2. **Lack of confidence of superior in his subordinates:** A superior may not seek the advice or opinions of his/her subordinates if he/she does not have confidence on their competency.
3. **Unwillingness to communicate:** Sometimes, subordinates may deliberately withhold any communication with their superiors if they perceive that it may adversely affect their personal interests.

b) Free rein leader gives complete freedom to the subordinates. Such a leader avoids use of power. He depends largely upon the group to establish its own goals and work out its own problems. Group members work themselves as per their own choice and competence. The leader exists as a contact man with the outsiders to bring information and the resources which the group requires for accomplishing the job.

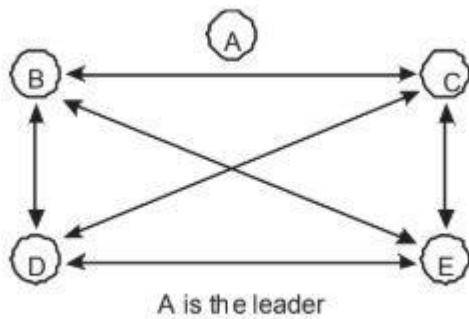
OR

(a) (i) 'Huma is working in a company on a permanent basis'. According to above line Huma is able to fulfil her following needs:

- (a) Physiological needs
- (b) Safety or Security needs

(ii)

(a) the



(b)

and

(Subordinate - Centered - Leadership)

(b) features of motivation (any two)

1. **Motivation is an Internal feeling:** Motivation is an internal feeling which means it cannot be forced on employees. The internal feeling such as need, desire, aspiration etc. influence human behaviour to behave in a particular manner.
2. **Goal Directed Behaviour:** It induces people to behave in such a manner so that they can achieve their goals. A motivated person works towards the achievement of desired goals.
3. **Motivation can be either positive or Negative:** Positive motivation means inspiring people to work better and appreciating a work that is well done e.g., pay increase, promotion, recognition. Negative motivation means forcing people to work by threatening or punishing them. e.g., issue of memo, demotion, stopping increments etc.

Needs of Huma which still remained to be satisfied are:

Affiliation Need: It refers to need for affection, sense to belongingness, acceptance and friendship.

Esteem Need: It refers to the need for self-respect, autonomy, status, recognition and attention.

4. Complex Process: It is a complex and difficult process. Individuals differ in their needs and wants and moreover human needs change from time to time.

33.(a)Explain any four functions of Marketing ?

(b) Briefly explain two features of Marketing

(4+2)

OR

(a)Explain the following factors affecting price of product

- i. Utility and Demand of product
- ii. Pricing objectives

(b)Explain Production philosophy

(4+2)

34. Training

Benefits To Organisation (explain also)

- i. Increased productivity
- ii. Systematic Learning
- iii. Develops future manager
- iv. Increase employee morale
- v. Effective response to fast changing environment

SET B

1. (a) Coordination ensures unity of action
2. (a)Top Level
3. (b) Unity of command
4. a) Statement I is true and II is false
5. (a) Legal Environment,Technological environment
6. (b) Both A and R are true, but R is not the correct explanation of A
7. (c) programme
8. (c) (A) and (D) only
9. (d) (A) - (III), (B) - (IV), (C) - (I), (D) - (II)
10. (d) Performance appraisal
11. (b) (4), (1), (2), (3)
12. (c) Intelligence test
13. (b) Informal Communication
14. (c) Noise
15. b) Statement II is true and I is false
16. b) Measurement of actual performance
17. a) Product concept
18. c) Product
19. a) Long term interest of the business
20. (c) Let the buyer be beware

21. 1) The component of marketing mix being taken into consideration by the company is **Product**

This is an element of Marketing mix which relates to deciding quality , design,features ,size etc.

The three major decision areas under Product mix are :

1. Branding
2. Packaging
3. Labeling

2) The function of marketing highlighted here is **Product designing and Development**

Another important marketing activity or decision area relates to product designing and development. The design of the product contributes to making the product attractive to the target customers. A good design can improve performance of a product and also give it a competitive advantage in the market.

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The product related decision,due to which the consumers preferred the products of ABC Crackers Ltd.,is the **Branding** - Process of giving name ,sign or symbol to product to distinguish your product with that of competitor

Benefits of branding to ABC Crackers Ltd. are (Write any one with explanation))

- i. Helps in product differentiation
- ii. Differential pricing
- iii. Ease in introduction of new product
- iv Helps in display and advertising programs

22. 1. two types of organizations have been discussed are **formal and informal organisation**

2. Differences(any two)

Basis	Formal organisation	Informal organisation
Meaning	Structure of authority relationships created by the management	Network of social relationships arising out of interaction among employees
Origin	Arises as a result of company rules and policies	Arises as a result of social interaction
Authority	Arises by virtue of position in management	Arises out of personal qualities
Behavior	It is directed by rules	There is no set behaviour pattern
Flow of Communication	Communication takes place through the scalar chain	Flow of communication is not through a planned route. It can take place in any direction
Nature	Rigid	Flexible
Leadership	Managers are leaders.	Leaders may or may not be managers. They are chosen by the group.

OR

A delegation of authority refers to granting authority by one individual (superior) to another (subordinate). Therefore, its scope is confined to a manager and his immediate subordinate. When we delegate authority, we multiply it by two i.e. the delegator and his subordinate, to whom authority is delegated. Delegation is a process of sharing of task and authority between a manager and his subordinate.

Decentralization of authority is not restricted to two individuals. It involves the systematic delegation of authority at all levels and in all functions of the organization. In case of decentralization, managers at middle and lower levels are granted the authority for taking decisions on tasks assigned to them. Therefore, the scope of decentralization is wider than that of delegation. When we decentralize authority, we multiply it by many.

23. Two steps in the process of staffing function of management being carried out by Prateek are

1. Estimating Manpower Requirement: Means understanding how many persons are needed and of what type. It includes :

- **Workload Analysis** : number and types of human resources necessary
- **Workforce Analysis** : It estimates the number and type of human resources available.

It would reveal whether the organisation is under-staffed, over-staffed or optimally staffed.

2. Recruitment: It is process of searching and motivating candidates to apply for a job.

The basic purpose is to create a large pool of applicants for the job. Recruitment is a **positive process** in the sense that more and more applicants are sought to be attracted.

24. Techniques of scientific management used by Sanchit to solve the problem were (any two)

(i) Motion Study: It is technique to study the movements that are necessary for doing a well defined job.

- It seeks to eliminate unnecessary and wasteful movements so that it takes less time to complete a job efficiently.

(ii) Time Study: It is a technique to determine the standard time taken by a worker of reasonable skill and efficiency to perform a well-defined job.

- It helps in deciding the number of workers to be employed, frame suitable incentive scheme and determine labour costs.

(iii) Simplification of Work: It is technique to eliminate superfluous varieties, sizes and dimensions of products.

- It leads to reduced inventories, fuller utilization of equipment and increased turnover to reduce costs.

25. Function of management is needed to ensure that the actual performance is in accordance with the performance as per 'time' and 'motion' **studies is controlling**

Features of controlling are: (any three)

1. **Controlling is a goal oriented function:** Controlling as a function of management ensures that the overall directions of individuals and groups are consistent with short and long range plans of the organization. So it is completely a goal oriented function.
2. **Controlling is an all pervasive function:** Controlling is a function which is applicable to all types of organizations business and non-business and at all managerial levels.
3. **Controlling is a continuous function:** Control is not a onetime activity. Rather, it is a dynamic process that involves constant analysis of actual and planned performance. The resultant deviations, if any, are corrected as per the need of the situation.
4. **Controlling is both a backward looking as well as forward looking function:** Under controlling past performance is analysed, therefore controlling is backward looking. On the basis of this past performance analysis, remedial action is taken to make future performance better, in this way controlling is forward looking.

26. 1. the function of management being performed by Ishita is **organizing**

2. Last three steps involved in organizing are:

- 1) **Departmentalization** – grouping of related jobs into larger units called department/divisions

- 2) **Assignment of Duties**- Allocation of work to the members of each department according to their skills and interests
- 3) **Establishing Reporting Relationships**– each individual to know from whom he has to take orders and to whom he is accountable

27. (a) i. **Right to be assured (choose)** : Consumer has a right to choose any product out of the available products as per his own decision making

ii) **Right to consumer education:** Consumer has the right to acquire knowledge and to be well informed throughout life. He should be made aware of his rights and reliefs available to him in case of the product or service falls short of his expectations. The Govt. of India has included consumer education in the school curriculum & is making use of media to make consumers aware of their rights.

(b) consumer as consumer under consumer Protection Act 2019
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(a) i. **Right to Safety:** Consumer has the right to be protected against products, & services which are hazardous to health & life (should use ISI marked electronic devices).

ii. **Right to be Informed:** Consumer has right to have complete information about the product before buying it.

(b) Remedies available to consumer under consumer Protection Act 2019 (any four)

- 1) To remove the defect in goods or deficiency in service.
- 2) To replace the defective product with a new one, free from any defect.
- 3) To refund the price paid for the product, or the charges paid for the service.
- 4) To pay a reasonable amount of compensation for any loss or injury suffered by the consumer due to the negligence of the opposite party.
- 5) To pay punitive damages in appropriate circumstances.
- 6) To discontinue the unfair/ restrictive trade practice and not to repeat it in the future.
- 7) Not to offer hazardous goods for sale.
- 8) To withdraw the hazardous goods from sale.
- 9) To cease manufacture of hazardous goods and to desist from offering hazardous services.
- 10) Compensate for any loss or injury suffered by consumer under product liability action and withdraw hazardous products from being offered for sale etc.

28. a) **It helps the firm to identify threats and early warning signals:**

- Threats refer to the external environment trends and changes that will hinder a firm's performance.

- Besides opportunities, environment happens to be the source of many threats. Environmental awareness can help managers to identify various threats on time and serve as an early warning signal.
- Examples:
If an Indian firm finds that a foreign multinational is entering the Indian market with new substitutes, it should act as a warning signal. On the basis of this information, the Indian firms can prepare themselves to meet the threat by adopting such measures as improving the quality of the product, reducing cost of the production, engaging in aggressive advertising, and so on.

b)It helps in improving performance:

With continuous scan of Business environment companies can not only improve their present performance but also continue to succeed in the market for a longer period.

By making changes in the internal environment matching to external environment, organisations can prosper and improve their market share.

For example,

Weston Company which could not cooperate with the changing environment started suffering loss and lost its name in T.V. market whereas Sony, LG, Samsung etc. did scan the environment well and are still competing successfully and earning good profits .

29. 1. The sources of recruitment used for Reena and Indu are Recommendation of employees and Campus recruitment

2. Advantages of external source of recruitment are(any 2 point with explanation)

- Wide choice.
- Fresh Talent
- Competitive Spirit
- Qualified and Trained personnel

30.The various reasons mentioned in the above paragraph that have made management so important are stated below:

1. Management increases efficiency as it leads to reduction in costs due to optimum utilization of resources. “As a result of her excellent managerial competence the company is able to reduce costs and increase productivity.”

2. Management creates a dynamic organization so that it is able to incorporate the corresponding changes in its working with any change in its business environment. “The company belongs to infrastructure sector, wherein regular amendments are made in the government regulations and policies. She holds regular meetings to ensure that people in her department are not only aware of the related changes but are also able to adapt to these changes effectively. This helps the company to maintain its competitive edge.”

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OR

Process highlighted above which started at the planning stage itself and is implicit and Inherent in all the functions of management in an organization is coordination. The process by which a manager synchronizes the activities of different departments is known as coordination.

IMPORTANCE OF COORDINATION (any 2 points)

1. **Growth in size:** each individual having his own needs, objectives, Co-ordination brings harmony between individual goals and organisational goals
2. **Functional differentiation:** each department has its own objectives, Co-ordination brings harmony between departmental goals and organisational goals
3. **Specialisation:** Each department is headed by specialists, they do not take suggestions from others, so conflict, coordination is required to reconcile the differences in interest or opinion of the specialists.

31. **Training** can be done to develop the skills and abilities of employees for producing quality products by using these hi-tech machines

Training is any process by which the aptitudes, skills and abilities of employees to perform specific jobs are increased.

Benefits to the Employee.

- (i) Improved skills and knowledge due to training lead to better career of the individual.
- (ii) Increased performance by the individual help him to earn more.
- (iii) Training makes the employee more efficient to handle machines. Thus, less prone to accidents.
- (iv) Training increases the satisfaction and morale of employees.

32. (a) (i) Lack of attention. Psychological barrier

(ii) three other barriers of same category

- (i) **Premature evaluation:** Some times people evaluate the meaning of message before the sender completes his message. Such premature evaluation may be due to pre-conceived notions or prejudices against the communication.
- (ii) **Loss by transmission and poor retention:** When communication passes through various levels, successive transmissions of the message results in loss of, or transmission of inaccurate information. This is more so in case of oral communication. Poor retention is another problem. Usually people cannot retain the information for a long time if they are inattentive or not interested.
- (iii) **Distrust:** Distrust between communicator and communicate acts as a barrier. If the parties do not believe each other, they can not understand each others message in its original sense.

OR

- (a) Four features of Motivation are:

- (i) **Motivation is an internal feeling.** The urge, drives, desires, aspirations, striving or needs of human being, which are internal, influence human behaviour. For example, people may have the urge or desire for possessing a motorbike, comfortable house, reputation in the society. These urges are internal to an individual. Business Studies Motivator used to the
- (ii) **Motivation produces goal directed behaviour.** For example, the promotion in the job may be given to employee with the objective of improving his performance. If the employee is interested in promotion, it helps to produce a behaviour to improve performance.
- (iii) **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.
- (iv) **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.

(b) Types of formal communication are

- Vertical communication flows vertically, i.e., upwards or downwards through formal channels. Upward communications refer to flow of communication from subordinate to superior whereas downward communication indicates communication from a superior to subordinate.
- Horizontal or lateral communication takes place between one division and another.

33. (a) What are the features of marketing?

(b) Briefly explain two benefits of branding to marketer?

(4+2)

OR

(a) Explain the following factors affecting price of product

- I. Competition in market
- II. Government and Legal Regulations

(b) Explain Selling philosophy

(4+2)

34 Importance of Decentralization:

Point of importance	Line quoted
Quick decision making- In a decentralized organization since decisions are taken at levels which are nearest to the point of action and there is no requirement for approvals from many levels, the process is much faster.	“Response does not take time”.
Develops managerial talent for the future- Decentralization gives managers a chance to prove their abilities and creates a reservoir of qualified manpower that	“Who can get a chance to prove their abilities”.

<p>can be considered to fill up more challenging positions through promotion.</p>	
<p>Develops initiative among subordinates- Decentralization helps to promote self-reliance and confidence amongst the subordinates. It also keeps them in a state wherein they are constantly challenged and have to develop solutions for the various problems they encounter.</p>	<p>“Identifying those executives who have the necessary potential to become dynamic leaders”</p>
<p>Better control- Feedback from levels helps to analyze variances and improve operations.</p>	<p>“This makes it possible to evaluate performance at each level and each department can be individually held accountable for their results.”</p>