

IMPORTANCE OF DECENTRALISATION

01	. Develops initiative among Subordinates	It identify those executives who have the necessary potential to become dynamic leaders
2.	Develops managerial talent for the future	It gives a chance to prove their abilities and creates a reserve for future
03	Quick decision making	Since the decisions are taken at levels, decision will be made quickly
04	Relief to top management	Top mgt will get free time to concentrate on important issues
05	Facilitates growth	It facilitate growth to the employees as there is autonomy
06	Better control	As the performance will evaluate at each levels of mgt, it easier to control the activities and subordinates.

DISTINCTION BETWEEN DELEGATION AND DECENTRALISATION

	Basis of distinction	DELEGATION	DECENTRALISATION
01	Nature	Compulsory act because no individual can perform all tasks on his own.	Optional policy decision. It is done at the discretion of the top management.
02	Freedom of action	More control by superiors hence less freedom to take own decisions.	Less control over executives" hence greater freedom of action.
03	Status	It is a process followed to share tasks.	It is the result of the policy decision of the top management.
04	Scope	Narrow scope as it is limited to superior and his immediate subordinate.	Wide scope as it implies extension of delegation to the lowest level of management.
05	Purpose	To reduce the workload/burden of the Superior.	To increase the role of the subordinates in the organization or to give more autonomy to subordinates.

06. STAFFING

Weightage as per CBSE curriculum 2022-23	Max. Marks	01	03	04	06	Total
	No of questions	01	01	01	-	07

There is ONE internal choice question for 04 marks, from this chapter only

Meaning: "Staffing consist of Estimating Man power requirement, Recruitment, Selection, Training, Compensation, Promotion of managerial personal."

IMPORTANCE OF STAFFING

01	Helps in discovering and obtaining competent personnel for various jobs.
02	Makes higher performance, by putting right person on the right job
03	Ensures continuous survival and growth of the enterprise
04	Helps to utilize optimum utilization of the human resources
05	Improves job satisfaction and morale of employees

STAFFING AS A PART OF HRM

In small organizations, the function of staffing is performed by all the managers but in large organizations, the function of staffing is the responsibility of a separate department called the "Human Resource Department". Following are the activities to be performed by Human Resource Personnel

01	Recruitment
02	Analyzing jobs, collecting information about jobs to prepare job descriptions.
03	Developing compensation and incentive plans.
04	Training and development of employees for efficient performance and career growth.
05	Maintaining labour relations and union management relations.
06	Handling grievances and complaints.
07	Providing for social security and welfare of employees.
08	Defending the company in law suits and avoiding legal complications.

STAFFING PROCESS

01	Estimating Man-power Requirement	Finding out number and types of employee. It Includes Work Load Analysis Number and types of persons required, Work Force Analysis - Persons Available to do the job.
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FINANCIAL AND NON-FINANCIAL INCENTIVES

S. N.	Incentive	Type	Explanation
01	Pay and Allowance	Financial	Regular salary payment and various allowances
02	Productivity linked wage incentives		The incentive plans aims at linking payment of wages to increase in productivity
03	Bonus		It is one-time extra reward offered to the employee for higher performance.
04	Profit Sharing		Sharing of profit by management with employees.
05	Co-Partnership/ Stock Option		Offering of shares to employees and lower rate in form of ESOPs.
06	Retirement Benefits		Some organizations offer benefits like gratuity, pension, provident fund etc. at the time of retirement of employee
07	Perks/Fringe Benefits		Special benefits like medical facilities, free education for children, housing facilities.
01	Status	Non-Financial	Refers to Rank, authority, responsibilities, recognition and prestige.
02	Organizational Climate		It refers to relationship between superior and subordinate. It directly influences the behavior of employee.
03	Career Advancement opportunity		Promotional opportunities given to employees. It improves the skills of employees.
04	Job Enrichment		Making the job of employees more interesting to avoid boredom in job by offering more varieties and challenges in job.
05	Employee recognition		Most of people have a need for evaluation of their work and due recognition is required
06	Job security		Employees want certain stability about future income and work so that they do not feel worried on these aspect s
07	Employee participation		It means involving employees in decision making of the issues related to them.
08	Employee empowerment		It means giving more autonomy and powers to subordinates.

LEADERSHIP

It is the process of influencing the behavior of people by making them/ some voluntarily towards achievement of organizational goals

FEATURES OF LEADERSHIP

01	Ability of a person to influence others
02	Tries to bring change in the behaviour of other
03	Indicates interpersonal relations between leaders and followers
04	Exercised to achieve common objectives.
05	Continuous process.

IMPORTANCE OF LEADERSHIP

01	Influences the Behaviour of People and makes them to positively contribute their energies for the benefit of the organization.
02	Maintains personal relations and helps followers in fulfilling their needs
03	Play a key role in introducing required changes in the organization
04	Handles conflicts effectively and does not allow adverse effects resulting from the conflicts.
05	Provides training to their subordinates

QUALITIES OF A GOOD LEADER

01	Physical qualities	A good leader must possess a good height, weight, health and appearance. Health and endurance help a leader to work hard and inspire others also to do so.
02	Knowledge	A good leader should have required knowledge and competence, so that he can influence others.
03	Integrity	A leader should possess high level of integrity and honesty, so that he can be a role model to others.
04	Initiative	A leader should have courage and initiative to do things on his own, rather than waiting for others to do it first.

05	Communication skills	A leader should be a good communicator. He should be able to clearly explain his views to others. He should not only be a good speaker, but a good listener, teacher and counselor.
06	Motivation skills	A leader should understand the needs of his employees and motivate them by satisfying their needs.
07	Self-confidence	A leader should have a high level of confidence. He should not lose confidence even in the most difficult times.
08	Decisiveness	A leader must be decisive in the sense that once he has taken a decision, he should be firm on it.
09	Social skills	A leader should be sociable and friendly with his colleagues and followers, so that he can understand them and their needs.

STYLES OF LEADERSHIP

S.N.	Basis	Autocratic/ Authoritative	Democratic/ Participative	Laissez Faire/ Free Rein
01	Decision Making	Only leaders make the decisions.	Leaders make decision in consultation with subordinate	Subordinates make the decisions
02	Communication	Only one way i.e. downward.	Two-way of communication	Free flow of communication
03.	Motivation technique	Fear and punishment (negative motivation)	Reward and involvement (positive motivation)	Self-direction and self-control.
04.	Delegation of authority	No delegation	Delegation of authority to some extent	Complete delegation of authority
05	Focus	Leader control	Group control	Individual centered
06	Role of leader	Provides directions	Maintains team work	Provides support and resources

COMMUNICATION

Communication is the process of exchange of information between two or more persons to reach common understanding

ELEMENTS OF COMMUNICATION PROCESS

01	Sender	The person, who conveys the message, is known as the sender or communicator. He may be a speaker, a writer or an actor.
02	Message	It is the subject matter of communication. It may consist of facts, information, ideas, opinions, etc. It exists in the mind of the sender.
03	Encoding	The sender translates the message into words, gestures or other symbols, which he feels will make the receiver understand the message.
04	Channel or media	The encoded message is transmitted through some medium, which is known as the communication channel, e.g. speaking, writing, phone call, internet, etc.
05	Decoding	It means process of conversion of symbols into the message by the receiver.
06	Receiver	The person, who receives the message, is called the receiver. The receiver may be a listener, reader or viewer.
07	Feedback	The receiver sends his response to the sender of the message. Such response is known as feedback.
08	Noise	It means an obstruction or hindrance in the communication process.

IMPORTANCE OF COMMUNICATION

01	The Basis of Co- ordination	The manager explains to the employees the organizational goals, modes of their achievement and also the <u>interpersonal relationships</u> amongst them. Thus, communications act as a basis for coordination in the <u>organization</u> .
02	Fluent Working	A manager coordinates the human and physical elements of an organization to run it smoothly and efficiently
03	The Basis of Decision Making	Proper communication provides information to the manager that is useful for <u>decision making</u> . No decisions could be taken in the absence of information. Thus, communication is the basis for taking the right decisions.
04	Increases Managerial Efficiency	The manager conveys the targets and issues instructions and allocates jobs to the <u>subordinates</u> . All of these aspects involve communication. Thus, communication is essential for the quick and effective performance of the managers and the entire Organization.

MARKET SEGMENTS OF NSE

The Exchange provides trading in the following two segments

- 1. Whole Sale Debt Market Segment:** This segment provides a trading platform for a wide range of fixed income securities that include central government securities, treasury bills, state development loans, bonds issued by public sector undertakings, floating rate bonds, zero coupon bonds, index bonds, commercial paper, certificate of deposit, corporate debentures and mutual funds.
- 2. Capital Market Segment:** The capital market segment of NSE provides an efficient and transparent platform for trading in equity, preference, debentures, exchange traded funds as well as retail Government securities.

OVER THE COUNTER EXCHANGE OF INDIA (OTCEI)

Over the Counter Exchange of India (OTCEI) was incorporated in 1990 under the Companies Act, 1956 and was recognized as a stock exchange under the Securities Contracts Regulation Act, 1956. It commenced operations in the year 1992. It aims at providing the small and medium companies an easy access to the capital market. OTCEI is a fully computerized and single window exchange system. OTC was promoted by UTI, ICICI, IDBI, LIC, IFCI, GIC and SBI financial services. It acts as a place where buyers meet the sellers and negotiate for an acceptable terms of trade. It provides a convenient, transparent and efficient avenue for capital market investment. It provides liquidity to the securities along with practicing a fair trade system. It also aims at providing cheaper and easy means of trade to public as well as small companies.

ADVANTAGES OF OVER THE COUNTER EXCHANGE OF INDIA (OTCEI)

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|----|---|
| 01 | It provides a trading platform to smaller and less liquid companies. |
| 02 | It is cost effective as there is a lower cost of new issues and lower expenses of servicing the investors |
| 03 | Family concerns & closely held companies can go public through OTC. |
| 04 | Dealer can operate both in new issues & secondary market at their options. |
| 05 | It gives freedom to investors to choose stocks by dealers fro market making in both markets |
| 06 | It is a transparent system of trading with no problem of bad or short deliveries. |
| 07 | Information flows are free and more direct from market makers to customers |

BOMBAY STOCK EXCHANGE OF INDIA (BSE)

BSE Ltd (formerly known as Bombay Stock Exchange Ltd) was established in 1875 and was Asia's first Stock Exchange. It was granted permanent recognition under the Securities Contract (Regulation) Act, 1956. It is known as BSE Ltd but was established as the Native Share Stock Brokers Association in 1875. A stock exchange can be set up as a corporate entity with different individuals (who are not brokers) as members or shareholders.

OBJECTIVES OF BOMBAY STOCK EXCHANGE OF INDIA (BSE)

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|----|---|
| 01 | To provide an efficient and transparent market for trading in equity, debt instruments, and mutual funds. |
| 02 | To provide a trading platform for equities of small and medium enterprises. |
| 03 | To ensure active trading and safeguard market integrity through an electronically-driven exchange. |
| 04 | To provide other services to capital market participants, like risk management, clearing, settlement, market data, and education. |
| 05 | To conform to international standards |

SECURITIES AND EXCHANGE BOARD OF INDIA (SEBI)

SEBI - Established on 12 April 1988 by the GOI given statutory status through an Act in 1992.

OBJECTIVES OF SEBI/PURPOSE & ROLE OF SEBI

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|----|--|
| 01 | To regulate stock exchanges and the securities industry to promote their orderly functioning. |
| 02 | To protect the rights and interests of investors, particularly individual investors and to guide and educate them. |
| 03 | To prevent trading malpractices and achieve a balance between self regulation by the securities industry and its statutory regulation. |
| 04 | To regulate and develop a code of conduct and fair practices by intermediaries like brokers, merchant bankers etc., with a view to making them competitive and professional. |

1A. CHARACTERISTICS OF GOOD BRANDING

07	A good brand is registered and is legally protected so that it does not enter into any chaos later on and do not involve in illegal activities
08	Brand name is considered good when it is up to date or it is evergreen and does not get old. For example: Reynolds and signature pens.

1B. PACKAGING

Packaging refers to the act of designing and producing the container or wrapper of a product.

1B. LEVELS OF PACKAGING

01	Primary package	It is the immediate packet of the product i.e. which is directly above the product. It may be taken off before the use or it may be there as an integral part of the product throughout the life of the product. For example: packet of soap will be removed before use.
02	Secondary packaging	It is the layer of the product which will be just above the primary packaging of the product. It is removed before the use of the product. For example: a cardboard box of the crème tube will be removed before using the product. The cardboard box will be disposed off.
03	Trans- portation packaging	This is the next packet of the product which is above the primary and secondary packaging. It helps in safeguarding the product from damage and also useful for easy identification of the product in the market

1B. IMPORTANCE OF PACKING

01	Product identification	Packets of the product will be easy identified by the consumers in the market. it is also useful for the shopkeepers to identify the product through its packet.
02	Product protection	It is very important for products to be safe from spoilage, breakage, pilferage, insect attacks, chemical change, moisture gain and also leakage.
03	Facilitates the use of the product	Some products are in such a packaging that their use becomes easy and the packets facilitate its use in accordance to the shape and size of the product.
04	Product promotion	Not all products require a proper packaging. Many products have packaging so that they become attractive and can become a source of promotion. An attractive colour, design help in inclination of the consumers towards the product.

1B. FUNCTIONS OF PACKING

01	Product identification	The package of a product helps the customer to easily identify the product in the market, e.g. Red Label tea in a red colour packing, Taj Mahal tea in blue box pack, etc.
02	Product protection	The package of a product protects it from spoilage, breakage, pilferage, leakage, damage, etc. e.g. colour in plastic bottles.
03	Facilitating use of the product	The package of a product helps the consumer to open, handle and use the product more conveniently, e.g. toothpaste tubes, hand wash soap dispenser, etc.
04	Product promotion	An attractive package attracts the attention of people and at the same time, provides detailed information about the product, e.g. ferrero rocher chocolates.

1C. LABELLING

Labelling in the marketing refers to designing the label to be put on the package. indicating some information about the quality or price, to complex graphics that are part of the package, like the ones on branded products

1C. FUNCTIONS OF LABELLING

01	Describes the product and specify its contents	Labelling specifies the contents and other features of the product. It enables the manufacturer to give clear instructions to the consumer about the proper use of his product.
02	Identification of the product or brand	It gives a definite identity to the product or brand and therefore, the identification of a product becomes easy, e.g. the name Pears printed on toilet soaps helps us to know which soap out of several soaps is Pears.
03	Grading products	It enables the manufacturer to grade the product into different categories, e.g. Hindustan Lever sells different grades of tea under green, yellow and red labels.
04	Helps in promotion of products	Packaging simplifies the work of sales promotion. Packing material in the house reminds the consumers constantly about the product.
05	Providing information required by law	Another important function of labeling is to provide information required by law. For example, the statutory warning on the package of Cigarette or Pan Masala, „Smoking is injurious to Health` or Chewing Tobacco is injurious to Health.

RESPONSIBILITIES OF A CONSUMER

06	Be honest in your dealings	The consumer should be honest in his/her dealings. Choose only from legal goods and services. Discourage unscrupulous practices like black-marketing etc.,
07	Ask for a cash memo	Ask for a cash memo on purchase of goods or services. This would serve as a proof of the purchase made
08	File a complaint	File a complaint in an appropriate consumer forum for every genuine grievance. Do not hesitate to take an action even when the amount involved is small.
09	Form consumer societies	The consumer should form consumer societies. These societies would play an active role in educating consumers and safeguarding their interests.
10	Respect the environment	The consumer should respect the environment. They should avoid waste, littering and contributing to pollution

WAYS AND MEANS OF CONSUMER PROTECTION

01	Self Regulation by business	The business firms should rely that it is in their long term interest to serve the customers well.
02	Business Associations	The associations of Trade and Commerce etc., should lay down their code of conduct to deal with their customers
03	Consumer Awareness	A consumer who is well informed would be in a position to raise his voice against any unfair trade practices or unscrupulous exploitations.
04	Consumer Organizations	Consumer organizations should play a vital role in educating their rights and providing protection to them
05	Government	The Government can protect the interests of the consumers by enacting various Legislations.

REDRESSAL AGENCIES/MACHINERY UNDER CP ACT

01	District Forum	Establishing Authority	The state Government shall establish a District Consumer Disputes Redressal Commission to be known as District Commission in each district of the state.
		Composition	The District Forum consists of a President (District Judge) and not less than two other members, one of whom should be a woman. They all are appointed by the State Govt. concerned
		Jurisdiction	District commission will entertain complaints where the value of goods or services paid as consideration does not exceed ONE CRORE.
		Judgment	On receiving the complaint the District Commission shall refer it to the concerned party and shall send the goods for testing in a laboratory. The District Commission shall pass an order after considering the test report and hearing the other party's argument.
		Appeal	In case the aggrieved party is not satisfied with the order of the District Commission, he/she can appeal before the State Commission within 45 days from the date of the order.
02	State Commission	Establishing Authority	The State Government shall establish a State Consumer Disputes Redressal Commission to be known as State Commission in each state.
		Composition	The State commission consists of a President (High court Judge) and not less than FOUR other members, one of whom should be a woman. They all are appointed by the State Govt. concerned
		Jurisdiction	(a) State commission entertains complaints where the value of goods or services paid as consideration exceeds ONE crore but does not exceed 10 crores. (b) Appeals against the order of the District Commission.
		Judgment	On receiving the complaint the State Commission shall refer it to the concerned party and shall send the goods for testing in a laboratory. The State Commission shall pass an order after considering the test report and hearing the other party's argument.
		Appeal:	In case the aggrieved party is not satisfied with the order of the State Commission, he/she can appeal before the National Commission within 30 days from the date of the order.
03	National Commission	Establishing Authority	The Central Government shall establish a National Consumer Disputes Redressal Commission to be known as National Commission.
		Composition	The National Commission consists of a President (Supreme court Judge) and not less than FOUR other members, one of whom should be a woman. They all are appointed by the Central Govt.
		Jurisdiction	(a) National commission entertains complaints where the value of goods or services paid as consideration exceeds Rs. 10 crore. (b) Appeals against the order of the State Commission.
		Judgment	On receiving the complaint the National Commission shall refer it to the concerned party and shall send the goods for testing in a laboratory. The

		National Commission shall pass an order after considering the test report and hearing the other party's argument.
	Appeal	In case the aggrieved party is not satisfied with the order of the National Commission, he/she can appeal before the SUPREME COURT within 30 days from the date of the order.

RELIEFS AVAILABLE / REMEDIES AVAILABLE TO A CONSUMER

Relief Available If the consumer court is satisfied about the genuineness of the complaint, it can issue one or more of the following directions to the opposite party.

01	To remove the defect in goods or deficiency in service.
02	To replace the defective product with a new one, free from any defect.
03	To refund the price paid for the product, or the charges paid for the service.
04	To pay a reasonable amount of compensation for any loss or injury suffered by the consumer due to the negligence of the opposite party.
05	To pay punitive damages in appropriate circumstances.
06	To discontinue the unfair/ restrictive trade practice and not to repeat it in the future.
07	Not to offer hazardous goods for sale.
08	To withdraw the hazardous goods from sale.
09	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.

ROLE OF CONSUMER ORGANISATIONS AND NGOS

Consumer organizations and NGO's perform several functions for the protection and promotion of interest of consumers. These include

01	Educating the general public about consumer rights by organising training programmes, seminars and workshops.
02	Publishing periodicals and other publications to impart knowledge about consumer problems, legal reporting, reliefs available and other matters of interest.
03	Carrying out comparative testing of products and publish results for consumer welfare.
04	Encouraging consumers to strongly protest and take an action against the discriminatory, exploitative and unfair trade practices of sellers.
05	Providing legal assistance to consumers
06	Filing complaints in appropriate consumer courts on behalf of the consumers
07	Taking an initiative in filing cases in consumer courts in the interest of the general public.

CONSUMER ORGANISATIONS AND NGOS IN INDIA

01	Consumer Coordination Council, Delhi.
02	Common Cause, Delhi.
03	Voluntary Organization in Interest of Consumer Education (VOICE), Delhi.
04	Consumer Education and Research Centre (CERC), Ahmadabad.
05	Consumer Protection Council (CPC), Ahmadabad.
06	Consumer Guidance Society of India (CGSI), Mumbai.
07	Mumbai Grahak Panchayat, Mumbai.
08	Karnataka Consumer Service Society, Bangalore
09	Consumers' Association, Kolkata
10	Consumer unity and Trust Society (CUTS), Jaipur

WISH YOU ALL THE BEST