

Specialised Notes of

BUSINESS ETHICS & BUSINESS COMMUNICATION

**40 Marks in just 21
pages**

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Chapter 1. Principles & Business Ethics

In this chapter, we shall analyse the concept of Ethics & its related factors.

Q.1] Define Business Ethics & give its importance.

- Ans.-** 1) Every business is always running for the profit motive, but it may affect the social goals for e.g. Satyam incorporations distributed huge dividends but its activities were declared to be ethically wrong.
 2) Thus the business is expected to follow some ethics so that it will grow with the social benefit.
 3) In earlier time, the King was having the huge wealth, but the King who was not following the ethics was not respected by the people.
 4) The famous thinkers like Swami Vivekananda, Mahatma Gandhi, and Socrates has also given lot of importance to ethics.
5) If a business organization follows business ethics then it will result in following benefits:-
 (i) The business can give better service to the society,
 (ii) It creates goodwill,
 (iii) It improves productivity & positivity,
 (iv) It creates good environment in organization,
 (v) It gives assurance of following the legal formalities,
 (vi) It helps to avoid criminal acts,
 (vii) The management is respected by the whole team.

Q.2] What is difference between ethics & morals?

| Points | Ethics | Morals |
|---------------------|--|---|
| Origin | Greek word Ethics meaning: The Character | Latin word Morals meaning : Custom or Tradition |
| Related with | Individual personality & character | The general rules of society |
| Depends on | Thinking of Individual | Thinking of Society |
| Designed by | Individual | Society |

Sometimes, there is contradiction between these two terms, E.g. bowing down before God is a tradition but it may be against the ethics of individual person not believing in God.

Q.3] What are the reasons that we follow the ethics?

| Approach /Reason | Meaning |
|-----------------------------------|---|
| Utilitarian approach | The approach to make the most good & least harm to anyone. |
| Deontological Approach | Here we believe that our ethics are the rights of other person & me should respect it |
| Fairness/ Justice approach | As per Greek philosophy we are following ethics because me must give equal treatment to all. |
| Common good approach | Follows the ethics for welfare of everyone in the society. |
| The virtue approach | The ethics are followed with the belief that these will become my habits & will upgrade my personality. |

Due to all these approach we follow the ethics.

Q.4] What is the Nature of Ethics?

Ans.:-

(1) It is not a Religion: -

It does not come by religion but an individual motive.

(2) It is not culturally accepted norms: -

Culture may have some impact on ethics but it is not the ultimate force.

(3) It is not a Science: -

Science is universally same, but ethics changes from person to person.

Q.5] How ethical dilemma/confusion arises & how to come out of it?

Ans.:- 1) Many times the ethics challenges the profit motive & it creates the dilemma

2) It is very difficult to make choice between ethics & profit motive. E.g. If the doctors wishes to have lots of patients is against the ethics but in favor of his profit.

3) **Thus we can take the following steps to come out of this dilemma:-**

a) Analyse the situation,

b) Find out reasons of situation,

C) Check your own intention,

d) Confirm that your profit motive is not harmful to any one,

e) Confirm that it is not harmful to the person relying on you E.G. your family.

In this way, the person can make combination of ethics & profitability. Thus we have seen variety of concept relating to ethics

Chapter 2. Corporate Governance & Corporate Social Responsibility [CG & CSR]

Q.1] What is CORPORATE GOVERNANCE?

Ans.:- 1) Many times it is observed that the profit maximization objective directly challenges the ethics. Thus if the ethics are converted into rules there is more probability to follow them.

2) Thus every government decided to have one special group in every entity which will take care that these ethics & rules are followed properly.

3) **The World Bank defines CORPORATE GOVERNANCE** as it is about promoting corporate fairness transference & accountability.

4) Thus the main objectives of CORPORATE GOVERNANCE are :-

i) To confirm that rules are followed.

(ii) To confirm that proper accounting is done.

(iii) To confirm that responsibilities are followed

(iv) To confirm that proper control is created

In simple words it's a team of management keeping control & management.

It gives following advantages :-

i) It takes care of all stake holders i.e. share holders, creditors, debtors holders, workers, customers etc.

ii) It avoids to disturb the ethics

iii) It creates transparency in all activities.

iv) It crates goods image of organization.

In this way, CORPORATE GOVERNANCE is the team which creates & maintains corporate social responsibility in organization.

Q.2] What is CORPORATE SOCIAL REPORTING? Explain it.

Ans.:- 1) CORPORATE SOCIAL REPORTING is the concept which states that every organization should follow some basic responsibilities as follows:

(i) Economics Responsibilities- To earn maximum profit

(ii) Legal Responsibilities- To follows all the laws

(iii) Ethical Response- To follows business Ethics

(iv) Discretionary Responsibilities- To follows voluntary responsibilities. E.g. Donation p.a. to NGO

2) In simple words CORPORATE SOCIAL REPORTING helps to give proper returns to all stake holders i.e. –

(i) Profit for shareholders

(ii) Good environment for workers

(iii) Proper payment of supplies

(iv) Proper interest to money lenders

(v) Social activities for society.

3) Thus if the entity is following CORPORATE SOCIAL REPORTING it will become a good corporate citizen.

Q.3] If you want to follow CORPORATE SOCIAL REPORTING what should be the contents of your CORPORATE SOCIAL REPORTING policy?

Ans.:- 1) Perfect internal control,

2) Commitment to all ethics,

3) Perfect management,

4) Proper policies,

5) Proper responsibilities,

6) The vision & mission should be clear to all,

7) Proper values among all the employees,

8) Proper structure of management for the best control,

9) Accountability/Responsibility of every one,

10) Remarks to employees following the ethics,

11) Proper training to all,

12) Perfect CORPORATE SOCIAL REPORTING.

In this way proper chain of all the above activities will help to create CORPORATE SOCIAL REPORTING.

Q.4] What are the impacts by CORPORATE SOCIAL REPORTING?

Ans.:-In last some decades many companies followed CORPORATE SOCIAL REPORTING & it resulted its following advantages:

- (i) Profit increase for shareholders,
- (ii) Proper standards were set for all,
- (iii) Proper responsibility chain was created,
- (iv) It created the transparency in all activities,
- (v) Resulted in good image of organization e.g. Tata
- (vi) It created proper hold of investments on organization,
- (vii) The growth of organization resulted in social benefit also.

Q.5] Give the list of organizations formed by Govt. to take care of CORPORATE SOCIAL REPORTING

| Team / Standards | Details |
|---|---|
| Global Reporting Initiative (GRI) | Standards introduced in 1997 at Global level |
| A 1000 | Launched in 1999 as a supplement to GRI by John Killington |
| Social Accountability 8000 | Addition to GRI with some human rights |
| United Nations Global Compact | Introduced in Sep 2000 by UNO & it includes 9 additional principles |
| Organization for economic co-operation & development (OECD) guidelines | Introduced in 1976 & updated in 2004. Especially for multinational company. |
| Bench Mark for measuring business performance | Introduced some principle for CORPORATE SOCIAL REPORTING at global level |
| The COUX round table | Introduced by the management in COUX Switzerland. It includes the management from Europe, Japan & North America |
| Global Sullivan principles | Introduced in 1999 with some additional principles |
| Asian Pacific economic corporation (APEC) | Introduced business Code of conduct in 1999 for its 21 member countries. |

Thus we have seen the concept CORPORATE GOVERNANCE & CORPORATE SOCIAL REPORTING & the organization taking care of them.

Chapter 3: Work Place Ethics

In this chapter, we shall learn the variety of ethics to be followed by us in the work place.

Q. 1] Explain is the concept of “Work place ethics”.

Ans.:-
1) The work place environment having the highest impact on the performance of every person.
2) Thus we are some guidelines to keep the environment healthy.
3) Generally we have the impact of following 3 factors :-
(i) Individual ethics & values
(ii) Influence of top management on others
(iii) Rules & regulation of management
4) The individual ethics results in the behavior of everyone & any negative behavior may directly affect the work place environment.

Q.2] What are different issues to be covered by us?

Ans: - While checking we are should consider following factors

- (1) **Business Relationship** – The relation between co-workers top & lower level management, Management & client, Management & Govt.
- (2) **Conflict of interest** – Every individual has its own interest & we should confirm that organist ion interest is not disturbing the individual interest & vice-versa.
- (3) **Fairness & Honesty** – Fair returns are given to all the teams & all the workers are honest with organization.
- (4) **Communication** – The communication stream should be perfectly managed the top management.
Thus above 4 factors helps to have perfect Work Place Ethics.

Q.3] What is discrimination? What is it's impact?

Ans. :-
(1) It means making the distinguish between 2 persons,
(2) It may be due to skill ability & performance of any one,
(3) It affects the Principle of Equality & disturb work place environment,
(4) The discrimination takes place in following areas,
(i) **Improper requirement** – sometimes appointment is made on basis of caste, relations, religion, sex etc,
(ii) **Screening procedure** – Sometimes some wrong bases are used for screening e.g. Convert students will be selected only.
(iii) **Promotions** – The particular in promotion affects the environment
(iv) **Employment Condition** – Different wages job to the condition having same caliber, may disappoint someone
(v) **Dismissal** – Firing any employee due to bad performance discrimination will affect the environment.

Q.4] Explain Harassment & its impact?

Ans.:-
i) It means getting things done forcefully from someone,
(ii) It includes – (a) Forcing the person to do the activities out of his capacities
(b) Overtime job without extra payment
(c) Forcing the person to do the job again
(d) Bad workers
(e) Not giving holidays
(f) Forcing to work in condition of ill health
(g) Sexual harassment.
(iii) The met impact of all above factors is – It will affect the business Environment thus every organization should have a committee to create ethics against harassment also.

Q.5] Give the guidelines to create properly work place ethics.

Ans. :- (1) Create properly code of conduct,
(2) Create open communication,

- (3) Take decisions on the basis of ethics,
- (4) Publish the ethical decisions taken by the group & give rewards,
- (5) Create the teams to take care of ethics,
- (6) Appoint ombudsmen i.e. middle men for good co-ordination of ethics,
- (7) Create atmosphere of trust,
- (8) Update the policies properly,
- (9) Create the team to solve the problem of workers,
- (10) Top management should create properly example before lower level management,
In this way we can create a good business environment by proper hints.

Chapter 4: Environment Ethics

Q.1] Explain Environmental Ethics.

- Ans.:-**
- (1) An organization may affect the environment like air, water, land pollution etc. Thus here we shall learn some ethics relating to the environment
 - (2) Generally pollution refers to undesirable effect on the environment due to manufacturing & use of resources.
 - (3) **Generally following impact has been observed on environment –**
 - (i) **Air pollution** – Expanding the bad factors in the air, affecting the environment e.g. 3000 people killed in accident of Bhopal gas factory in 1984.
 - (ii) **Global warming** – It has created danger of heavy flood from south pole.
 - (iii) **Ozone depletion**– It includes heavy consumption distraction of ozone which has generated global warming.
 - (iv) **Acid Rain** – It results in the rain with some acidic factor due to pollution. i.e. Taj Mahal getting affected due to acid rain.
 - (v) **Water pollution** – some bad factors are mixed in river affecting life.
 - (vi) **Land pollution** – Artificial fertilizers mixing in soil affects the quality of soil.The net impact of all above resulted in affecting environment.

Q.2] What are the contents of Environment Ethics?

- Ans. :-**
- (1) Rules against any pollution
 - (2) Proper wastage clearing system
 - (3) System for reducing the wastage
 - (4) Increasing the ecofriendly products
 - (5) Resource of wastage
 - (6) Creating awareness among workers
 - (7) Minimizing uses of natural resources
 - (8) Green accounting system i.e. focusing on deficiencies in the use of environmental factors & accounting of Environment Ethics.

Q.3] What are steps taken in India for Environment Ethics?

- Ans.:-**
- (1) Indian Govt. passed AIR control & prevention of pollution Act 1981
 - (2) Water pollution Act was passed
 - (3) Factories Act was amended
 - (4) Industries (Development & Regulation) Act passed in 1951
 - (5) Mines & Minerals (Regulation & Development) Act passed in 1957.
- In this way every organisation must follow environmental ethics.

Chapter 5: Ethics in Marketing & Consumer Protection

Q.1] Explain concert marketing Ethics?

Ans.:-

- (1) As **Rey John Rockefeller** – Even if the product is good, it is more important that the people should know that it is good
- (2) But many times the marketing person affects ethics to sell more & more products which affects the image of organization
- (3) Thus we should follow marketing ethics due to –
 - (i) It crates good image in society
 - (ii) It helps to reduce Government regulation on the organization
 - (iii) It helps to give power in society
 - (iv) It protects brand name of company.

Q.2] What is consumer interest & how it is protected?

Ans.:-

- (1) As we know consumer is the king & variety of provisions is made to protect him from the negative impact of competition
- (2) The World Bank defines the situation where the seller & purchaser can deal ethically & to have profit.
- (3) But many times competition creates bad practice
- (4) Thus following are the steps taken to control competition –
 - (i) Anti Trust Act 1890 was introduced in US
 - (ii) The Clayton Act was introduced in 1914
 - (iii) On the failure of above Act in us
 - (iv) The Federal Trade commission Act, 1914 was introduced in US
 - (v) The UK completion Act was introduced 1988
 - (vi) The UK completion law was introduced in 2002
 - (vii) The Competitor Act 2002 introduced in India. The main aim of all above Acts was to reduce monopoly to refuse improper merger etc.
- (5) The overall interest of consumer is to be protected by the ethics of consumer protection.

Q.3] which rights of consumer are protected by central council of India & by UN guidelines?

Ans:-

- (1) Consumer protection council of India protects rights of consumers to be:
 - (i) informed
 - (ii) assured about quality ,
 - (iii) heard,
 - (iv) getting redressed(remedy) against complaint
 - (v) protected,
 - (vi) educated,
- (2) United Nation's guidelines gives following rights
 - (i) physical safety
 - (ii) economic interest
 - (iii) standard quality
 - (iv) Remedy
 - (v) education
 - (vi) Health
 - (vii) quality & consumption
 - (viii) essential goods

In this way me have seen marketing Ethics & consumer protection

Chapter 6: Ethics in Accounting & Finance

Q.1] Explain the importance of EAF.

Ans.:-

- (1) An accountant is having responsibility as he is making the accounting to find out profit & loss
- (2) Many times an accountant / financial manager needs to give suggestion where conflict of profit v/s ethics may arrive
- (3) As per Mr. Henry Ford – A business which makes only money is a poor kind of business
- (4) Thus an accountant/FM must follow the ethics so that he can generate the profit for along with the social welfare
- (5) Thus the ethics of accounting includes the real accounting no frauds & social welfare.

Q.2] Why there is conflicts in ethics & accounting?

Ans.:-

- (1) Consultant – He has to think about profit about his client which may affect the ethics.
- (2) Auditor – Sometimes he ignore/ frauds to avoid the loss
- (3) Sometimes short term results are very important than ethics
- (4) Sometimes very small unethical issues are reflected which cumulatively creates fraud.
- (5) Sometimes some A/c rules are twisted to increase or decrease the profit
- (6) Thus in above situations there is a conflict in ethics & profit.

Q.3] What is expected from an accountant by following the ethics?

Ans.:-

- (1) Proper accounting
- (2) Following all the laws
- (3) Proper treatment of each transaction
- (4) Perfect Audit
- (5) Bringing mistake / fraud in the picture
- (6) To confirm that employees knows the rules & regulations
- (7) He should follow following principles of:
 - (i) Integrity – It means to avoid fraud refuse bribe etc,
 - (ii) Objectivity – i.e. to follow impartiality,
 - (iii) Confidentiality – i.e. not to disclose secret information,
 - (iv) Professional Competence & due care in Audit,
 - (v) Professional behavior,

Q.4] What are the threats due to which the accountant avoid ethics?

Ans.:- Threat of

- (i) Self interest – He is following the ethics
- (ii) Self review – not having self respect
- (iii) Advance – the threat of not getting co-operation from other
- (iv) Familiarity – threat of affecting close relations
- (v) Indemnification – here he is not allowed to follow ethics by external pressure.

Q.5] Which safeguard steps the management can take so that the accountant/audition/employees will follow the ethics?

Ans.:-

- (1) Give the assurance of not relishing for saying the truth
- (2) Good working environment
- (3) Educational training
- (4) Corporate governance
- (5) Create standards

- (6) Create problems solving team
- (7) Create ethical models
- (8) Strong internal control
- (9) Good commercial system
- (10) Appointing importance of Ethics
- (11) Explaining awards for following the ethics

Q.6] How the ethical conflict be solved?

Ans.:- This we have seen in earlier chapter.

In this way we have seen the importance of ethics & their application in all the areas of business.

PART B: BUSINESS COMMUNICATION

Chapter 7: Essentials of Communication

Q.1] What is communication? Why it is important?

Ans.:- (1) The word communication is derived from Latin word "Communicate" which means to share ideas thoughts & feelings.

(2) The communication starts from the birth of a person & even it is not ended after death (3) Thus in business world also the communication is the most important factor The importance of © has been increased due to following reasons :-

- (i) The size of organization has increased upto international level
- (ii) No of trade unions has been increased
- (iii) The importance of human relations has been increased a lot
- (iv) Increasing importance of public relation
- (v) Advancement of technology has increased the scope of communication.

Q.2] Explain the communication process.

Ans.:- (1) **Sender** – The person sending the message

(2) **Message** – The ideas/emotions to be communicated

(3) **Encoding** – Converting message into code format

(4) **Channel** – Medium for sending message

(5) **Receiver** – Person receiving he message

(6) **Decoding** – Converting be code language in normal message

(7) **Feedback** – Response from the person receiving message

Q.3] What are the types of Communication?

Ans.:- Communication is of 2 types: Formal & Informal. The formal communications are of following types –

(1) **Downwards** – Communication bosses to subordinates

(2) **Upward** – Communication subordinates to bosses

(3) **Horizontal** – Communication between department managers

(4) **Diagonal/Crossword** – Between different employees of different department.

Q.4] Explain advantages of formal communication.

Ans.:- (1) It is most effective way of communication (2) It covers whole organization (3) It can be extended with increasing size of organization (4) It helps to keep proper contact (5) It gives perfect communication system.

Q.5] Explain the concept of informal communication.

Ans.:- (1) It's a communication without any planning (2) It generates without any limitation & is also called as Grape Wine (3) Management has no control on it (4) following are the reasons of increasing informal communication – (i) feeling of uncertainty (ii) lack of direction (iii) lack of self confidence (iv) formation awardable group (5) Following are types of Grape wine – (i) Single strand chain – A communicated with B, B with C, C with D etc.

(i) Single Strand Chain

(ii) Gossip Chain – A gossiping with B,C,D,

(iii) Probability Chain – A communicated with 3 people of them & 2 communicated with 4 people & so on

(iv) Cluster Chain – Communication in groups

(6) Following are merits of Grape Wine (i) Communication with highest speed (ii) It gives immediate feedback (iii) It is supporting to formal communication (iv) It gives psychological satisfaction to all. (7) Following are a limitation of Grape Wine (i) It is not so credible (ii) Many times it carries incomplete information (iii) There is no assurance of reflection of information.

Q.6] Give short note an inter departmental communication.

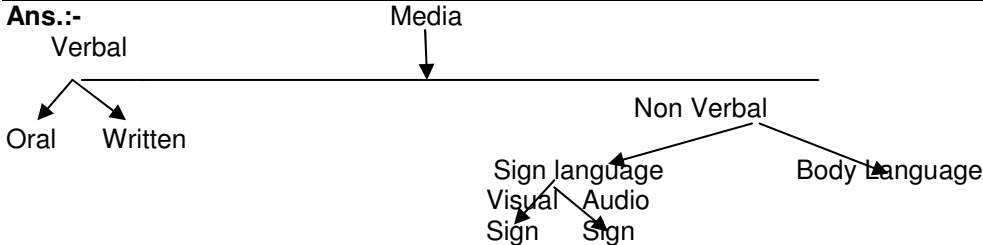
Ans.:- (1) It is the type of formal communication where 2 department heads communicate with each other

(2) The importance of it has increased due to following reasons –

- (i) increase in number of departments

- (ii) Long distance between departments
- (iii) physical separations in department
- (iv) separation of activities of department.

Q.7] Explain variety of Medias of communication.



The communication can be made by variety of Medias as follows

- (1) **Oral communication :-**
 - (i) According to the research, the oral communication is about 45% of total communication.
 - (ii) It includes :- a) Intra personal(self)Communication b) Inter personal communication C) Group communication d) Public communication e) Mass communication
 - (iii) In oral communication we have to take care of following points :- a) understand the subject b) Analyse the receiver c) be sincere d) use simple language e) be précised f) Explain the facts g) Assuming nothing h) Be polite l) Avoid insulting message.
- (2) **Written communication :-**
 - (i) It create the proof of communication
 - (ii) It is the most formal way of communication
 - (iii) Along with above precautions we should use correct grammatical language good handwriting, your attitude.
- (3) **Body language :-**
 - (i) it is the most effective means of communication
 - (ii) It includes posture, eye contact, dressing sense, gesture, smile
 - (iii) The best use of body language creates the best impact before starting for communication.
- (4) **Para language :-**
 - (i) It is also non verbal communication but it is applicable to verbal communication (ii) It includes :- a) Pitch variation b) Speaking speed c) Proper pause d) word stress e) volume variation. E.g. OK, U knowhow etc. If all these factors are used properly then, we can have perfect communication.
- (5) **Other non verbal Medias: -**
 - (i) Silence (ii) Time language: - here time is very important factor. E.g. Someone gives better performance in morning & other in evening (iii) Proxymies :- (i) It's a space between 2 person (ii) It indicates importance of such person (iii) It is dividend in 4 levels :- a) Intimate/close(up to 8 inches) b) Personal (18 inches to 4 feet's) c) Social (4 to 12 feet's) d) Public (12 feet's & above).

Thus all above were the types of communication.

Q.8] What is the impact of good communication?

- Ans.:-**
- (i) Good impression
 - (ii) Time saving
 - (iii) Solving the problems
 - (iv) Easy decisions
 - (v) Increased productivity
 - (vi) Good relations
 - (vii) steady work flow
 - (viii) Good response.

Q.9] Explain barriers to communication.

- Ans.:-**
- (i) Noice
 - (ii) Poor timing
 - (iii) Wrong channel
 - (iv) Break down of network

- (v) Lack of proper planning
- (vi) Psychological barriers
- (vii) Cultural barriers
- (viii) Wrong assumptions
- (ix) Socio psychological barriers e.g. Boss may not give importance to sub ordinates
- (x) Emotional
- (xi) Perception
- (xii) Filtering of information
- (xiii) Overload of information
- (xiv) Poor relation
- (xv) Poor listening
- (xvi) Conflict in goals
- (xvii) Offensive style of receiver
- (xviii) Insufficient period of adjustment
- (xix) Transmission loss
- (xx) Past reference
- (xxi) Different language.

Q.10] Write short note on “you attitude”,

Ans.:- (i) It is an assumption in letter writing that the writer is the own reader. (ii) Its advantage is that he will take care of language & use proper words.

Q.11] Different formats of business letter.

Ans.:- Page 13 to 24 of the study module.

Chapter 8: Inter Personal Communication Skills

Q.1] Explain ICS (Inter personal communication skills) & its principles.

Ans.:- (1) Interpersonal communication is the communication between 2 persons. It may be formal & Informal.
(2) It needs the best skills which create our impression on these.
(3) Following are the principles of ICS :- (i) Its indispensable i.e. unavoidable (ii) It is irreversible i.e. cannot be changed.
(iii) It is very much complicated (iv) It depends on relation (v) It has impact of environmental factor (vi) It depends on situations also (vii) It has impact of culture.
Thus we must improve ICS.

Q.2] What are the contents of ICS?

Ans.:- It includes following activities: -
(i) Collecting the information
(ii) Transferring information
(iii) Creation of understanding
(iv) Establishing good relations
(v) Respecting the identity of other person.

Q.3] Give tips for effective ICS.

Ans.:- (i) Collect the perfect data.
(ii) Use perfect medium
(iii) Use the concept "you attitude"
(iv) Take the feedback
(v) Be a good listener.

Q.4] Give short note on active listening.

Ans.:- (i) It means giving proper response to the speaker
(ii) Saying yes if agreed
(iii) It is helpful to the speaker for continuing the communication
(iv) The speaker can understand. Whether the listener is comfortable or not
(v) Following are the tips for active listening :- a) Give attention to the speaker b) Show your interest in subject c) Give reflections d) Re-state whatever you have listened e) Ask question if required f) Don't ever act with emotions.

Q.5] Give short note on critical thinking.

Ans.:- a) It's a teaching to take important facts
b) Here we should ignore irrelevant information
C) It needs following skills :- i) Analyse course & effect ii) Prepare sequence iii) make comparison iv) make proper revaluation v) make some predictions about future vi) check the rationality in it vii) Decide the priority viii) make summary of communication (ix) Add our own information with it
D) These technique will improve the following things :- (i) Person will be open minded (ii) He will have lot of information (iii) He will make some experiments (iv) He will remember important context (v) He will be also to make the conclusion.

Q.6] Give short note on emotional intelligence.

Ans.:- (i) As we know human being is gifted with emotions
(ii) sometimes these emotions create limitations on us but many times it gives us the strength. E.g. Mr. J.R.D. Tata was not allowed to reside in 5 star hotels in England stating that "Indian & dogs are not allowed" Due to these sad emotions he constructed hotel Taj where foreigners needs to make bookings before coming to India.
(iii) It means that if the emotions are used in a proper way then we can achieve the greatest thing in the world.
(iv) The emotional intelligence refers to the capacity to recognize our own feelings & to use them for are benefit.
(v) Here we should make SWOT analysis to achieve success.
(vi) It gives us self awareness, self confidence, social awareness, ethics & good relations with all.

Thus we have seen importance of ICS.

Chapter 9: Group Dynamics

Q.1] What is group? Give its features & types.

Ans.:- (i) Group is a combination of persons having different skills but common goal.

(ii) It has following features –

- (a) Each group has its own goal
- (b) Each group has its own structure
- (c) Formal & Informal
- (d) There is proper communication in group
- (e) Each group has its own rule (f) Each group has its own climate which depends on binding spirit openness communication & motivation.

(iii) Following are the types of groups :-

- (a) Self directed** – People coming together without any compulsion
- (b) Quality circle** – People coming together for common goal e.g. CA group
- (c) Committees** – These are formed formally for specific objective e.g. sports committee **(d) Task Force** – It is same like committee but having short term life.

Q.2] Explain group dynamics.

Ans.:- (i) It's a force of the group which we can feel

(ii) Every group is doing the activity due to this force only.

(iii) It depends on –

- (a) Spirit of members
- (b) Respect given by members to each other
- (c) Respect by members to values & rules of group
- (d) Resistance to change e.g. the group may resist way change & it create the force
- (e) The thinking of a group e.g. group of religion may hate the other
- (f) The power of group.

Thus the group dynamic of every group is different.

Q.3] Who is leader of group? What are his qualities?

Ans.:- The leader is the navigator of group & he has perform the following:-

(1) Self oriented goals :-

- (a) Keeping perfect control on self force so that domination will not take place.
- (b) Retiring from the team at right time.
- (c) Having the motivational skills

(2) Team Roles :-

- (a) Giving encouragement to all group members.
- (b) Creating proper environment in the team
- (c) Giving proper support to the team
- (d) Solving the conflicts
- (e) Listening of all
- (f) Positive criticism
- (g) Keep the transparency in group
- (h) Make the inventions.

(3) Task related rules :-

- (a) Accepting the realistic task
- (b) Create the plans
- (c) Make perfect implementation
- (d) Keep the control
- (e) Create perfect communication
- (f) Give proper remarks on fulfilling the task.

Q.4] Explain negotiation skills of a person.

Ans.:- Generally the leader gets involved in the negotiation process He can complete the negotiations with 4 results -

(1) Win – Lose situation – e.g. we will win while others will lose

(2) Lose – Lose situation – Here both will suffer loss

(3) **Win – Win situation** – Both the group will win the situation

(4) **Compromise** – Here both will take a few steps backward & will create a win – win situation.

Following are general rules of negotiation:-

- (a) Analyse the internal situation of us & that of other
- (b) Decide our expectation, terms, conditions, stretchable limit etc.
- (c) Select proper technique like starting from minimum level, offering 2-3 proposals giving commitment, increasing offer etc.
- (d) Make proper negotiation using our strong point & other's weak point
- (e) Generally the negotiation process goes like this –
 - (i) Finding out the objectives
 - (ii) Arguments
 - (iii) Getting the signals
 - (iv) Keeping proper proposals
 - (v) Packaging of other things with proposal.
 - (vi) Proper bargaining by both (vii) Argument or disagreement.

Thus this way the leader plays an important role in bargaining also which needs the skill to influence & preservation

Chapter 10: Ethics of Communication

Q.1] What is communication ethics? Give its importance.

Ans.:-

- (1) Even if the communication is good but ethics are not followed then it will be of no use.
- (2) Every one must follow same ethics in this communication
- (3) Every communication reflects the ethical base of the communication
- (4) It create good impression on the opposite party it reflects our personality also
- (5) We must follow the communication ethics with our assistant boss, family members & every other person.
- (6) The ethics in communication depends on individual ethics as well as organization policy also

Q.2] Why there is dilemma in communication ethics?

Ans.:- The communication ethics states that everything must be properly disclosed but it create the dilemma in following situations.

- (1) When secrecy is to be maintained
- (2) When the communication may result in the great negative impact on society
- (3) When it is Grapevine
- (4) When it is just a rumor
- (5) When there is any confusion
- (6) When the information can be given with mild sense. E.g. Even if bribe is called as consideration fees, it is perfect communication but it is ethically wrong.

Q.3] What are the guidelines to follow ethics in communication?

- Ans.:-** (1) Create guidelines for all
- (2) Keep proper communication system
 - (3) Appoint proper middle man
 - (4) Motivate honesty
 - (5) Show confidence in employees
 - (6) make communication in time
 - (7) Keep penalty for un-ethical communication.

Q.4] What is advantage of ethical communication?

- Ans.:-** (1) It creates good image
- (2) Perfect communication
 - (3) Sense of responsibility
 - (4) If create good environment of self respect etc.
- In this way we have seen the importance of ethical communication.

**Let's analyse our knowledge by going through
The question paper of November 2009 attempt.**

Part II of the paper: Business Ethics.

Q11. (a) Explain the importance of ethical behavior at the workplace. (5)

For answer: Refer chapter number 3, page 7, question number 1, 2 & 3.

(b) Explain the importance of iron "Law Of Responsibility". State the resulting benefits which may be acquired by achieving the long term objectives through the business activities. (5)

Q12. Explain the pragmatic reasons for maintaining the ethical behavior in marketing through marketing executives. (5)

For answer: Refer chapter number 1, page 3, question number 3.

Q13. State whether the following statement is true or false, with reasons:

(a) Fairness & honesty are the two pillars of the success of the business. (2.5)

It's a general question dear friends. It needs the common sense more than the knowledge.

(b) There is difference between ethics & morals. (2.5)

For answer: Refer chapter number 1, page 3, question number 2.

Part II of the paper: Business Communication.

Q14. (a) What are the merits & limitations of Grapevine form of communication. (5)

(b) TKR Limited wants to hold its statutory meeting on 20th December, 2009 to discuss the matters relating to formation of the company and incidental matters thereto. Draft a notice along with notes in brief for calling statutory meeting of the company. (5)

Q15. Fifth Annual General Meeting of the shareholders of Devrishi Limited was held on 20th August, 2009 at its registered office at Mumbai. 55 shareholders attended the meeting in person and 6 shareholders in proxy. Several ordinary business regarding adoption of audited Balance Sheet, declaration of dividend, appointment and re-appointment of directors and auditors were transacted at the meeting. Draft the minutes of the Fifth Annual General Meeting of the shareholders of Devrishi limited. (5)

Q16. A partnership firm was constituted by A, B and C. A, the partner of the firm expressed his desire to retire from the partnership firm by Mutual consent. Draft a "Partnership Retirement Deed". (5).