



IPCC – November 2017

ETHICS AND COMMUNICATION

Test Code – 80100

Branch (MULTIPLE) (Date : 10.09.2017)

(50 Marks)

Note: All questions are compulsory.

Question 1 (5 marks)

Effective or active listening is a very important skill to enhance interpersonal communication. Most of us assume that listening is a natural trait, but practically very few of us listen properly. What we regularly do is “we hear but do not listen”. Hearing is through ears and listening is by mind. Listening happens when we understand the message as intended by sender. The process of communication completes when the message as intended by the sender is understood by the receiver. **(2 marks)**

Importance of Active Listening- Active listening is important for several reasons. **(3 marks)**

- (i) It aids the organization in carrying out its missions.
- (ii) It helps individuals to advance in their careers.
- (iii) It provides information that helps them to learn about important happenings in the organization, as well as assisting them in doing their own jobs well.
- (iv) It also helps in building strong personal relationships.

Question 2(4 marks) (1 mark for each point)

Grapevine Chains: Specialists in this field have identified four types of grapevine chains in an informal communication:-

- (1) Single Strand Chain: In this type of chain, ‘A’ tells something to ‘B’ who tells it to ‘C’ and so on. This type of chain is least accurate in passing on the information or message.
- (2) Gossip Chain: In it, a person seeks out and tells everyone the information he/she has obtained. This chain is often used when information or a message regarding a ‘not-on-job’ nature is being conveyed.
- (3) Probability Chain: In it, individuals are indifferent to the persons, to whom they are passing some information. This chain is found when the information is somewhat interesting but not really significant.
- (4) Cluster Chain: In this type of chain, ‘A’ tells something to a few selected individuals and then some of these individuals inform a few other selected individuals. In fact, cluster chain is the dominant grapevine pattern in an organisation. Most informal communication flows through this chain.

Question 3(5 marks)

Emotional Intelligence: Emotional intelligence refers to the capacity to recognizing your own feelings and those of others, for motivating yourself, and for managing emotions well in yourself and in your relationships. **(1 mark)**

Emotional quotient (EQ): Emotional quotient inventory is designed to measure a nature of constructs related to emotional intelligence. EQ is the ability to make deeper connections at three levels: with ourselves (personal mastery), with another person (one-to-one) and within groups/teams. Our EQ or emotional intelligence is the capacity for effectively recognizing and managing our own emotions and those of others. **(1 mark)**

Social competencies associated with emotional intelligence are as follows:

a. Social Awareness: (1 ½ marks)

1. Empathy: Sensing others emotions, understanding their perspective and taking active interest in their concerns.
- 2 Organizational awareness: Leading the current decision, networks and politics at the organizational level.
- 3 Service: Recognizing and meeting follower, client or customer needs.

Relationship Management: (1 ½ marks)

4. Inspirational leadership: Guiding and motivating with a compelling vision.
5. Influence: wielding a range of tactics for persuasions
6. Developing others: Bolstering others' abilities through coaching, feedback and guidance.

Question 4(4 marks)

The attitudes and opinions, place in society and status consciousness arising from one's position in the hierarchical structure of the organization, one's relations with peers, seniors, juniors and family background – all these deeply affect one's ability to communicate both as a sender and receiver. **(1 mark)**

Status consciousness is widely known to be a serious communication barrier in organizations. It leads to psychological distancing which further leads to breakdown of communication or miscommunication. Often it is seen that a man high up in an organization builds up a wall around himself. **(1 mark)**

This restricts participation of the less powerful in decision making. In the same way one's family background formulates one's attitude and communication skills. **(1 mark)**

Frame of reference is another barrier to clear communication. Every individual has a unique frame of reference formed by a combination of his experiences, education, culture, attitude, and many other elements, resulting in biases and different experiences in a communication situation. **(1 mark)**

Question 5(5 marks)

Environmental ethics is based on the idea that environment should be protected not only for the sake of human beings but also for its own sake. The issue of environmental ethics goes beyond the problems relating to protection of environment or nature in terms of pollution, resource utilization or waste disposal. **(2 marks)**

Business and Industry are closely linked with environment and resource utilization. Production process and strategy for eco-friendly technologies throughout the product life cycle and minimization of waste play major role in protection of the environment and conservation of resources. Business, industry and multinational corporations have to recognize environmental management as the priority area and a key determinant to sustainable development. Sound management of wastes is among the major environmental issues for maintaining the quality of environment and achieving sustainable development. **(2 marks)**

If the environmental costs are properly reflected in the price paid for goods and services then companies and ultimately the consumer would adjust market behaviour in a way that would reduce damage to environment, pollution and waste production. Price signal will also influence behaviour to avoid exploitation or excessive utilization of natural resources. Such measures would facilitate the approach of "Polluter Pays Principle". Removing subsidies that encourage environmental damage is another measure. **(1 marks)**

Question 6(5 marks)

The Term "consensus" means 'Collective opinion'. Consensus building means a process of seeking collective opinion of group members on an issue or problem in order to reach a commonly acceptable idea or solution to a problem. Thus, consensus agreement is not necessarily a unanimous agreement. **(1 mark)**

In the process of consensus, the strength of different members is pooled and brought to choose the best possible decisions from among its alternatives. Consensus means overwhelming agreement. Most consensus building efforts set out to achieve unanimity. The key indicator of whether or not a consensus has been reached is that everyone agrees with the final proposal and it is important that consensus be the product of a good-faith effort to meet the interests of all stakeholders. **(1 mark)**

The following efforts are taken by mediators and facilitators for creating consensus building in the group- **(3 marks)**

- **Problem solving orientation:** It is important to be constructive and maintain a problem-solving orientation, even in the face of strong differences and personal antagonism.
- **Engage in active listening:** Participants in every consensus building process should be encouraged (indeed instructed, if necessary) to engage in what is known as active listening.
- **Disagree without being disagreeable:** Participants in every consensus building process should be instructed to "disagree without being disagreeable".
- **Strive for the greatest degree of transparency possible:** To greatest extent possible, consensus building process should be transparent. That is the groups or mandate, its agenda and ground rules, the list of the participants and the groups or interest they are representing, the proposals they are considering, the decision rule they have adopted, their finances, and their final report should, at an appropriate time, be open to scrutiny by anyone affected by the group's recommendations.
- **Strive to invent options for mutual gain:** The goal of a consensus building process ought to be to create as much value as possible and to ensure that whatever value is created by dividend in ways that take account of all relevant consideration. The key to creating value is to invent options for mutual gain.

Question 7(5 marks)

Notice is hereby given that extraordinary General Meeting of the members of ABC Traders Private Limited will be held on Monday, theday of 2017, at the registered office of the company at.....Mumbai at.....P.M. to transact the following business.

Special Business

To consider and if thought fit, to pass with or without modification the following resolution as special resolution.

"Resolved that, subject to the approval of the Central Government under section 13 of the Companies Act,2013, the name of the company be and is changed from ABC Traders Private Limited to ABC International Private Limited and that consequent to this change clause I of the Memorandum and Articles of Association of the company be altered accordingly.

By order of the Board of Directors of ABC Traders Private Limited. Secretary.....

Place:..... Date:.....

Question 8(4 marks)

Common Policies under Corporate Social Responsibilities are as under:

- **Commitment to diversity in hiring employees and barring discrimination;**

- Adoption of internal controls reform;
- Management teams that view employees as assets rather than costs;
- High performance workplaces that integrate the views of line employees into decision-making processes;
- Adoption of operating policies that exceed compliance with social and environmental laws;
- Advanced resource productivity, focused on the use of natural resources in a more productive, efficient and profitable fashion (such as recycled content and product recycling); and
- Taking responsibility for conditions under which goods are produced directly or by contract employees domestically or abroad.

Question 9(4 marks)

Many philosophers and ethicists have suggested five sources of ethical standards. They are Utilitarian Approach, Rights Approach, Fairness or Justice Approach, Common Good Approach and Virtue Approach. **(1 mark)**

The Virtue Approach is a very ancient approach to ethics. It is that ethical actions which ought to be consistent with certain ideal virtues that provide for the full development of our humanity. These virtues are dispositions and habits that enable us to act according to the highest potential of our character and on behalf of values like truth and beauty. **(2 marks)**

Honesty, courage, compassion, generosity, tolerance, love, fidelity, integrity, fairness, self-control, and prudence are all examples of virtues. Virtue ethics asks of any action, "What kind of person will I become if I do this?" or "Is this action consistent with my acting at my best?" **(1 mark)**

Question 10 (4 marks)

Short notes on :

a. Advantages of ethical communication

Ethical communication promotes long-term business success and profit. However, improving profits isn't reason enough to be ethical, as soon as the cost of being ethical outweighed the benefits, ethical choices would no longer be possible. **(1 mark)**

One advantage of ethics is long-term integrity. Surveys report that all employees want to work for organizations with high ethical standards. Competent people are likely to search for organizations that maintain high ethical standards. When competent people migrate toward ethical firms, everyone benefits because both competence and ethics are perpetuated. **(1 mark)**

b. The press communiqué

The press communiqués are issued when some important government decisions or announcements are made such as cabinet appointments, conclusion of the foreign dignitaries' visits, international agreement, etc. **(1 mark)**

The press communiqué is formal in character. It carries the name of the ministry or department and the place the date at the bottom left-hand corner of the release. Generally, the press is expected to reproduce the press communiqué without any substantial change. No heading or subheading is given on press communiqués. **(1 mark)**

Question 11(5 marks)

Factors to be considered for oral effective communication: Oral communication, which is face-to-face communication with others, has its own benefits. The only shortcoming of oral communication is that it is spontaneous and if one communicates incorrectly, the message will not get understood. It is primarily due to this reason one needs to develop effective oral communication skills as a message, if not understood at appropriate time, can lead to disaster. **(1 mark)**

In order to provide a fair and candid exchange of ideas, the following factors to be considered to make the oral communication effective: **(4 marks)**

- Consider the objective.
- Think about the interest level of the receiver.
- Be sincere.
- Use simple language, familiar words.
- Be brief and precise.
- Avoid vagueness and generalities.
- Give full facts.
- Assume nothing.

- (i) Use polite words and tone.
- (j) Cut out insulting message.
- (k) Say something interesting and pleasing to the recipient.
- (l) Allow time to respond.
- (m) To make the oral communication effective, the speaker should converse slowly with proper semantic pauses to enable the listener receive and register in mind whatever is said by the speaker and there should be a due correlation between the pace of speaking and the rate of listening.
