

Seat No.: \_\_\_\_\_

Enrolment No. \_\_\_\_\_

**GUJARAT TECHNOLOGICAL UNIVERSITY**  
**MBA – SEMESTER 1 – EXAMINATION – SUMMER 2019**

**Subject Code:2810005**

**Date:20/05/2018**

**Subject Name: Principles of Management**

**Time:02:30 PM To 05:30 PM**

**Total Marks: 70**

**Instructions:**

- 1. Attempt all questions.**
- 2. Make suitable assumptions wherever necessary.**
- 3. Figures to the right indicate full marks.**

- Q.1 (a)** Who is the father of Modern Management Theory?
1. A. F.W.Taylor                      B. Henry Fayol  
C. Harold Koontz                      D. G.R.Teny  
\_\_\_\_\_are plans that established a required method of handling future activities
  2. A. Strategy                              B. Policies  
C. Procedures                              D. Rules  
\_\_\_\_\_ is the tendency to dispense decision-making authority in an organized structure
  3. A. Centralization                      B. Decentralization  
C. Delegation of Authority                      D. Span of Control  
The measurement and correction of performance in order to make sure that enterprise objectives and plans accomplished are known as \_\_\_\_\_
  4. A. Planning                              B. Organizing  
C. Controlling                              D. Staffing  
Which type of concept is fired for formulation of plans for a given future period in numerical terms?
  5. A. Budgeting                              B. Controlling  
C. Organizing                              D. Co-coordinating  
Who is given the concept of “Management is getting things done through others”?
  6. A. Henry Fayol                              B. HaroldKoontz  
C. G.R.Teny                              D. Robert L.Katz
- Q.1 (b)** Define management. List its functions. What is meant by the “management process” **04**
- Q.1 (c)** Distinguish Management and Administration with relevant points. **04**
- Q.2 (a)** “Managers at all levels require some competence in each of the technical, human and conceptual skills, albeit with difference in emphasis.” Analyse this statement with suitable examples. **07**
- (b)** What is the major task of manager according to the contingency approach? How is this approach an effort to integrate all previous approaches ? **07**
- OR**
- (b)** Briefly describe the general principles of management as laid down by Henri Fayol. Is his list exhaustive? **07**

- Q.3** (a) Explain what you understand by the concept of social responsibility of businessmen. Why should they develop a sense of social responsibility? Discuss. **07**
- (b) What is the nature and purpose of planning? Briefly explain the components of planning. **07**

**OR**

- Q.3** (a) Define the concept of “authority” and explain the difference delegation and decentralization of authority. **07**
- (b) Differentiate between line, staff and functional authority. **07**
- Q.4** (a) What is job satisfaction? What are its correlates? **07**
- (b) Distinguish between “formal” and “informal” communication. Describe the various directions in which the formal communication generally flows. **07**

**OR**

- Q.4** (a) Describe the positive and negative aspects of an informal organization. What should a manager do to harmonize informal organization with the formal organization? **07**
- (b) Describe the various types of the tests used for the selection of personnel. **07**

**Q.5**

**Case Study**

Godha Engineering Works specializes in the installation of heating and air conditioning equipment in a metropolitan area of about one million people. Although the company usually installs nationally known equipment, it engages in limited manufacturing of certain components needed for commercial installations. Since it was established some forty years ago, the company has earned a reputation for quality work. **14**

Prabhu Lal has been with the company as sales representative for two years. During this period he believes that the company as sales representative for two years. During this period he believes that the company has missed a number of opportunities to obtain lucrative contracts because of the conditions under which he is forced to operate. Particularly in the case of commercial installations, he does not have the authority to make any decision or commitments during preliminary contract negotiations. He has to postpone discussion of price, completion time and credit terms until after each of the technical experts in these areas has studied the job and made formal commitments. By this time, some competing firm already completes negotiations and gets the contract. Prabhu Lal considers this a continuing problem, and feels hampered.

- (a) In what respects do you think Prabhu Lal is justified or not justified in his complaint?
- (b) What can be done on a company-wide basis to improve the situation?

**OR**

Milk Products Limited is engaged in collecting, processing and distributing milk and milk products in a large city in South India. Most of the products of the company are such that these have to be distributed on daily basis. The company has a crew of distributors who approach the fixed customers, both bulk buyers and individuals. Mr.K.Ramesh joined the crew of distributors after graduating in commerce. The distribution manager was quite impressed by Mr.Ramesh but initially could not offer him a better job than that of a distributor. However, he promised to give him better opportunity whenever available. Mr.Ramesh joined gladly.

The distributors are employed on monthly salary basis. In order to ensure distribution of the products, the company has a provision of overtime pay. Normally, crew members work slowly in the beginning just to accumulate overtime pay. The pace becomes hectic towards the end of the day with some overtime to meet the distribution schedule. There is no group leader but there are several old-timers who influence newcomers regarding the work rules. Mr.Ramesh did not like this method of working but had to follow the group to be a good team mate. He gathered that over the years, the company had paid around sixty percent overtime unnecessarily.

After a year, impressed by the work of Mr.Ramesh and his overall suitability, the distribution manager offered him the position of distribution supervisor. The basic duty of supervisor was to look after the distribution system and to develop new customers in a given area. Beside Mr.Ramesh, there were four other supervisors also. Ramesh was sure of making distribution system effective as he was aware about the delaying tactics of the crew. He was quite sure about cutting the overtime cost and impressing upon the manager about fixing the quota of work per day in two parts before lunch and after lunch. The distribution manager left convinced and introduced the system. However, the efficiency dropped down considerably and no crew member was near the target.

- (a) What were the reasons for decreased efficiency in the new system?
- (b) Advise Mr.Ramesh and distribution manager about the future course of action.

\*\*\*\*\*