

## Principles of Management –MG6851-Question Bank

### Unit -1

#### **Part A (20X2 marks)**

1. Define Management  
Management is the art and science of getting the objective of the organization accomplished through and with people.
2. Mention the role of Managers(any two).  
Interpersonal and informational roles
3. What is MNC? Give examples.  
MNC is Multinational Corporation. Example Hyundai Motors and Ford Motors
4. What are the various functions of Management?  
Planning, Organizing, Staffing, Directing and Controlling.
5. What is Scientific Management?  
Replacing rules of thumb with science(organized knowledge), obtaining harmony in group action, achieving cooperation of all human beings, working for maximum output rather than restricted output.
6. Define Administration.  
Administration is that part of management which is connected with the installation and carrying out of the procedures by which the programme is laid down and communicated and the progress of activities is resulted and checked against the plans.
7. What is sole trading?  
Business unit which is owned and controlled by a single individual is known as sole trading..
8. Write any two demerits of sole trading.
  - 1) Limited resources
  - 2) Short life.
9. What is partnership?  
A partnership is an association of two or more persons to carry on business and to share its profits and losses.
10. What is scientific Management?  
The systematic study of relationships between people and tasks for the purpose of redesigning the work process to increase efficiency.
11. Is Managing , a science or an art?  
It is the organized knowledge that constitutes a science and managing as a practice is an art. Science and art are complementary and not exclusive.

12. What is time study?

It is a study of movements which takes a minimum time.

13. What is motion study?

Taylor suggested the elimination of wasteful movements and performing only necessary movements . It is called motion study.

14. Define Joint Stock Company.

A JSC is a type of corporation or partnership involving two or more individuals that own shares of stock in the company..

15. What is authority?

Authority is the power given to a person to get work from his subordinates.

16. What is responsibility?

Responsibility is the amount of work expected from a man by his superior.

17. What is unity of command?

No man can have two bosses. An employee must receive orders and instructions from only one supervisor..

18. How does effectiveness differ from efficiency?

Effectiveness is achieving the objective with minimum amount of resources.

19. What is Scalar Chain?

Instructions and orders should be sent from the top management to the bottom management.

20. What is meant by Esprit de corps?

Union is strength. In organization, employees should be in harmony and unity .It improves the employee morale.

**Part B (6X16 marks)**

1. Explain Henri Fayol's 14 principles of management.
2. Describe about the evolution of management thought.
3. Explain about the major tendencies favouring the development of a unified global theory of management.
4. i) Describe the relative importance of each type of skills to lower , middle and upper level managers. ( 8 marks)  
ii) Explain the system based approach towards the management. (8 marks)
5. Explain the various functions of management.
6. Compare the various managerial attitudes involved in MNC's.

## Unit -2

### Part A (20X2 marks)

1. Define planning.  
Planning is the process of selecting the objectives and determining the course of action required to achieve these objectives.
2. What are the objectives of planning?  
Planning is a primary function of an organization .  
It helps in achieving objectives. Planning guides in decision making.
3. Define mission.  
Mission may be defined as a statement which defines the role that an organization plays in a society.
4. Define an objective.  
Objectives are the aims, purposes or goals that an organization wants to achieve over varying periods of time.
5. What is meant by strategy?  
Strategy of an organization is the programme of action and deployment of resources to attain the objectives.
6. Define policies.  
Policies are guidelines for action.
7. What is procedure?  
Procedure is a chronological order of actions required to implement a policy and to achieve an objective.
8. How can rules be defined?  
Rules spell out specific required actions or non-actions , allowing no discretion.
9. What is programme?  
Programmes are a complex of goals, policies , procedures, rules , steps to be taken and other elements required to carry out a given course of action.
10. What are the advantages of planning?
  - 1)It helps in achieving objectives.
  - 2) Better utilization of resources.
  - 3) Economy I operation
  - 4)Effective control.
  - 5) Coordination.
11. State any four limitations of planning.
  - 1) Planning is an expensive and time consuming process.

- 2) It curbs the initiative of the Manager and forces him to operate within limits.
  - 3) No flexibility.
  - 4) People may sometimes resist.
12. Define corporate planning.  
Corporate planning is a process used by business to map out a course of action that will result in revenue growth and increased profits.
13. What are the advantages of objectives?  
-It sets specific targets for the employee  
- It provides the direction of the employee  
- It increases the staff motivation  
- It enables the success to be measured,
14. Define MBO in planning.  
MBO is defined as a comprehensive managerial system that integrates many key managerial activities in a systematic manner and is directed toward the efficient achievement of organization and individual objectives.
15. What are the benefits of MBO?  
- Improvement of managing thro' results oriented planning.  
- Delegation of authority.  
- Encouragement of commitment to personal and goals  
- Development of effective controls that measure results and lead to corrective action.
16. What are the weakness of MBO?  
- Failure to teach the philosophy of MBO  
- Manager should explain to subordinates , what it is , how it works,  
- Failure to give guidelines to goalsetters  
- Managers should know what the corporate goals are and how ther activities fit in with them.
17. List any four quantitative forecasting techniques.  
Historical analogy, Survey methods, Opinion poll, Business barometers.
18. What do you mean by a strategy?  
Strategy of an organization is the programme of action and deployment of resources to attain its objectives.
19. Define planning premises.  
These premises may be internal or external . Internal premises include organizational policies, resources of various types, sales forecasts and ability of organization to withstand the environmental pressure. External premises include political, social, technological, competitors plans ans actions, and Government policies etc.

20. Explain the term decision and decision making.

Decision making is defined as the selection of a course of action from amongst alternatives .It is at the core of planning. A plan cannot exist unless a decision has been made. Decision making is one of the steps in planning.

**Part B (6X16 marks)**

1. What is planning? Explain the steps involved in planning.
2. What are different types of plans? Explain.
3. Define MBO. Describe the benefits and weakness of MBO and ways to overcome them.
4. Define strategic planning? What are the steps involved in strategic planning?
5. Define forecasting. Explain the various forecasting techniques used for decision making process.
6. Define decision- making and explain the process of decision –making that affects the efficiency of the business decisions.

**Unit -3**

**Part A (20X2 marks)**

1. Define organizing.  
Organizing is the process of identifying and grouping the activities required to attain the objectives .
2. State the advantages of organization.
  - It facilitates administration.
  - It increases the efficiency of Management.
  - It ensures the optimum use of man and material resources.
3. Define the term “ Scalar Chain.”  
The chain of superiors ranging from top management to bottom management is called scalar chain.
4. What are the types of departmentation?  
Departmentation by geography or territory.
  - Departmentation by equipment or process.
  - Departmentation by product or service.
5. What is span of control?

- The number of people managed effectively by a single superior in an organization.
6. What is line authority?  
Line authority is the direct authority which a superior exercises over a number of subordinates to carry out orders and instructions,
  7. What is staff authority?  
Staff authority is a relation between a staff manager and a line manager with whom he works depends in part on the staff duties.
  8. What is decentralization?  
If the power is fully distributed to the subordinates of the organization, it is called decentralization.
  9. What are the advantages of decentralization?
    - It reduces the burden on the Management
    - It encourages decision making and assumption of authority and responsibility.
  10. What are the disadvantages of decentralization?
    - It is difficult to have a uniform policy
    - May create chaos in the absence of proper control.
  11. What is meant by delegation of authority?  
It is a process which makes a person to assign works to others and delegate them with adequate authority to do it.
  12. What is job analysis?  
Job analysis is the process of determining by observation and study and reporting pertinent information relating to the nature of a specific job.
  13. What is job rotation?  
It involves the involvement of a Manager from one job to another.
  14. Define Recruitment  
Recruitment is the process of finding and attracting capable applicants for employment..
  15. What is selection?  
Selection is the process of differentiating between applicants in order to identify those with a greater likelihood of success in a job.
  16. What is orientation?  
Orientation or induction refers to the activities involved in introducing the new employees to the organization and its policies, procedures, rules and regulations.
  17. What is Management by objectives?  
MBO is defined as a comprehensive managerial system that integrates many key managerial activities in a systematic manner and is directed toward the efficient achievement of organization and individual objectives.

18. What are the roles of manager?

Interpersonal role, Informational role, Decision role

19. Define Training.

The act of increasing the skills of an employee for doing a particular job.

20. What are the methods of training?

- On –the –job training
- Off – the –job training.

**Part B (6X16 marks)**

1. State and explain the basic steps involved in a typical selection procedure.
2. What do you understand by organization chart? Explain the basis of the departmentalization.
3. What is Managing by objective (MBO) ?What are the steps involved in MBO? Mention its benefits.
4. I) Distinguish between formal and informal organization. (8 marks)  
ii) Explain the line organization with a neat sketch.(8 marks)
5. i) Explain the concept of decentralization . (8 marks)  
ii) Explain the importance of performance appraisal.(8 marks)
6. Explain any four methods of performance appraisal.

**UNIT IV**

**Part-A (2 Marks)**

**1. Define multiplicity of roles.Nov2012**

Individuals not only the productive factor in management's plans. They are members of social system of many organizations.

**2. Mention the importance of motivation.April/May 2011**

- Proper utilization of human resources possible since it inspires employees to make best possible use of different factors of production.
- Proper motivation improves the efficiency of operation.
- Motivation creates a willingness on the part of workers to do the work in a better way.

**3. Name the steps involved in motivation process. April/May 2011**

- Analysis of situation
- Preparing, selecting and applying a set of appropriate motivating tools.
- Follow up.

**4. What are the types of motivation? Nov2012**

- Positive motivation
- Negative motivation
- Extrinsic motivation
- Intrinsic motivation

**5. List out the basic needs in a hierarchy. May/June 2012**

- Physiological needs
- Safety needs
- Social needs
- Esteem needs
- Self-actualisation needs

**6. What is job enrichment?**

Job enrichment is therefore based on the assumption that in order to motivate personnel, the job itself must provide opportunities for achievement, recognition, responsibility, advancement and growth.

**7. Who is leader?**

Leader is one who makes his subordinates to do willingly what he wants.

**8. Define leadership. May/June 2012**

Leadership is the process of influencing the behaviour of others towards the accomplishment of goals in a given situation.

**9. What is communication? April/May 2011**

Communication is passing of information from one person to another person.

**10. State the need for communication. Nov2012**

- To establish and spread goals of an enterprise widely.
- To develop plans for further achievement.
- To organize human and other resources in the most effective and efficient way.
- To select, develop and apprise members of the organisation.

**11. List the different types of communication flow.**

- Downward communication
- Upward communication
- Horizontal or lateral communication

**12. Note down the various communicating networks. Nov 2012**

- Simple chain
- Wheel
- Circular



- Free flow
- Inverted V

**13. State the advantages of democratic leadership. Nov/Dec 2010**

- The subordinates are motivated by participation in decision-making process.
- This will increase job satisfaction.
- Absence of leader does not affect output.
- Labour absenteeism and turn-over will be minimum.
- The quality of decision is improved.

**14. What are the barriers involved in effective communication? Nov2012**

- Physical barriers
- Socio-psychological or personal barriers.
- Organisational barriers.
- Semantic barriers.
- Mechanical barriers.

**15. List out the effective media in communication. April/May 2011**

- A large bank supplies hardware and software to its customers.
- Several banks now make bank-by-phone services available even to individuals.
- E-mail service making easy delivery of documents.

**16. What are the important assumptions made in X theory?**

The average human dislikes to work. He will avoid work if it is possible. Therefore people must be controlled, directed and threatened with punishment to make them work.

**17. Mention the various factors involved in using motivational techniques.**

- Money
- Participation
- Quality of working life

**18. Mention the important of leadership.**

- Motivating employees
- Leader develops team work
- Building morale
- Maintaining discipline

**19. Name the various leadership styles. May/June 2012**

- Autocratic or dictatorial leadership.
- Participative or democratic leadership.
- Laissez-faire or free rein leadership.

**20. What is Laissez-faire?**

Complete freedom is given to the subordinates so that they plan, motivate, control, and otherwise be responsible for their own actions.

**Part-B (16 Marks)**

1. What do you understand by “leadership style”? Describe the different styles of leadership.  
*April/May 2010*
2. Explain why management by wandering around considered as effective communication. What are the barriers to effective communications?*April/May 2010*
3. Explain the term motivation. Explain any two motivational theories. *April/May 2011*
4. Critically examine Maslow’s need priority model. How far up the hierarchical ladder do most people progress?*April/May 2010*
5. What are the barriers of effective communication *April/May 2011*
6. Explain porter and Lawler theory of motivation and Adam’s equity theory of motivation.  
*Nov/Dec 2013*

## UNIT V

### Part-A (2 Marks)

#### 1. Define control. Nov/ Dec 2010

According to Koontz “Controlling to the measurement and correction of performance in order to make sure that enterprise objectives and the plans devised to attain them are accomplished”.

#### 2. What are the characteristics of control?

- Control process is universal
- Control is continuous process
- Control is action based
- Control is forward looking.

#### 3. What are the disadvantages of control?Nov2012

- Control is expensive and time-consuming process.
- Human behaviour and employee morale also cannot be measured.

#### 4. Give some critical point standards of control?

- Cost standards
- Revenue standards
- Goals standards
- Program standards.

#### 5. What are the types of control?Nov2012

- Feedback control
- Concurrent control
- Feed forward control

#### 6. What is feedback control?

Feedback control is the process of adjusting future action on basis of information about past performance.

#### 7. What are the requirements for effective control?

- The control should be economical
- It must be simple
- It should be flexible
- It should be clear objectives

#### 8. What are the modern techniques of control? April/May 2011

- Management audit
- Return on investment

- PERT and CPM

**9. Define budgetary control? May/June 2012**

According to J.Batty “a system which uses budgets as a means of planning and controlling all aspects of producing and or selling commodities and services”.

**10. Define budget?**

According to J. Fred Meston “a budget is the expression of a firms plan isfinancial form for a period of time in to the future”.

**11. What are the limitations of Budgeting?May/June 2012**

- Inaccuracy
- Expenditure
- Distortion of goals

**12. What is Zero Base Budgets?**

Initially the budget is designed from a Zero base the main element is ZBB is future objective orientation.

**13. What are the steps involves in ZBB?**

- Decision package
- Ranking
- Allocation of resources

**14. What is Internal Audit?**

Internal audit is done by an internal auditor who is an employee of the organisation. He examines the objectives, policies, plans, procedures and performance of the management.

**15. Define MIS**

A system of obtaining abstracting, storing and analysing data to productions information for use in planning, controlling and decision making by managers at the time they can most effectively use it”

**16. What are MIS Resources?**

- To provide the information up to date
- To take effective decision making
- To provide the right information available in the right form at the right time

**17. Define Productivity**

Productivity is a measure of how much input is required to produce a given output theratio is called productivity.

**18. What are the factors affecting productivity?**

- Technology
- Human resources
- Government policy
- Machinery and equipment
- Skill of the worker

**19. What is OR?**

OR is an applied decision theory, which uses scientific, mathematical and logicalmeans to take decisions.

**20. Define Multinational Corporations. April/May 2010**

An enterprise which own or control production or service facilities outside the country in which they are based.

**Part-B (16 Marks)**

1. Explain any four non-budgetary control techniques with suitable examples. *Nov/Dec 2013*

2. Explain the effects of globalization and liberation in improving organisation growth. ***May/June 2012***
3. Explain the steps involved in the quality control process with advantages and disadvantages. ***Nov/Dec 2013***
4. What is the difference between direct control and preventive control? Give an overview of popular overall direct control measures. ***Nov/Dec 2012***
5. Explain the use of computers in handling information to increase productivity. ***May/June 2012***
6. Explain the term productivity and the means of increasing productivity in an organisation. ***May/June 2012***