

GUJARAT TECHNOLOGICAL UNIVERSITY**MBA - SEMESTER-I • EXAMINATION – SUMMER • 2014****Subject Code: 810006****Date: 28-05-2014****Subject Name: Principles of Management (POM)****Time: 14.30 pm - 17.30 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) “Management is an art of getting things done through others” Explain the statement with the help of suitable example. **07**
- (b) How F.W. Taylor and Henri Fayol differ in their approach to management thought. **07**
- Q.2** (a) Differentiate any two: **07**
1. Standing Plans vs Single Use Plans
 2. Centralisation vs Decentralisation
 3. Creative vs Innovative Planning
- (b) “Why is planning so important for the success of any organization” Explain the principles of Planning suitable illustrations. **07**
- OR**
- (a) What do you understand by Premises. Why Premises is important of effective Planning.
- (b) Why decision making and problem solving are termed as core functions of management. List various steps involved in decision making process. **07**
- Q.3** (a) “Just as planning controlling should also be a dominantly forward looking function” comment. **07**
- (b) What do you mean by line organization structure. What are its benefits and limitations. Discuss. **07**
- OR**
- Q.3** (a) What are the basic principles of delegation of authority. Discuss the factors that affect delegation of authority. **07**
- (b) Discuss the ways in which premising can be made effective. **07**
- Q.4** (a) “Orders will be accepted if they make sense” discuss with the techniques of directing. **07**
- (b) What is organizational chart. Discuss its advantages and limitations. **07**
- OR**
- Q.4** (a) Write short note on any two **07**
- Virtual organization
 - Types of span of management
 - Benefits of IT in controlling
 - Functions of Management.
- (b) What do you understand by management by objective. What are the steps involved in it. **07**
- Q.5** (a) “A good leader is not necessarily a good manager” Discuss this with suitable example. **07**
- (b) What are the different barriers of communication. What steps can be taken to overcome these barriers. **07**

- Q.5 (a)** The president of Asha Mills sat at his desk in the hushed atmosphere, so typical of business offices, after the close of working hours. He was thinking about Kapil, the manager in-charge of purchasing, and his ability to work with George, the production manager, and Vipulabh, the marketing and sales manager in the firm. When the purchasing department was established two years ago, both George and Vipulabh agreed with the need to centralise this function and place a specialist in charge. George was of the view that this would free his supervisors from detailed ordering activities. Vipulabh opined that the flow of materials into the firm was important enough to warrant a specialised management assignment. Yet since the purchasing department began operating it has been precisely these two managers who have had a number of confrontations with the new purchase manager, and occasionally with one another, in regard to the way the purchasing function in being carried out. From George's point of view, instead of simplifying his job as production manager by taking care of purchasing for him, the purchasing department has developed a formal set of procedures that has resulted in as much time commitment on his part as he had previously spent in placing his orders directly with vendors. Further, he is specially irritated by the fact that his need for particular items or particular specification is constantly being questioned by the purchasing department. When the department was established, George assumed that the purchasing manager was there to fill his needs, not to question them.

As Vipulabh sees it, the purchasing function is an integral part of marketing function, and the two therefore need to be jointly managed as a unified process. Purchasing function cannot be separated from a firm's overall marketing strategy. However, Kapil has attempted to carry out the purchasing function without regard for this obvious relationship between his responsibilities and those of Vipulabh, thus making a unified marketing strategy impossible. In his previous position, Kapil had worked in the purchasing department of a firm considerably larger than Asha. Before being hired, he was interviewed by all the top managers, including George and Vipulabh, but it was the president himself who negotiated the details of the job offer. As Kapil sees it, he was hired as a professional to do a professional job. Both George and Vipulabh have been distracting him from this goal by presuming that he is somehow subordinate to them, which he believes is not the case. The people in the production department, who use the purchasing function most, have complained about the detail that he requires on their requisitions. But he has documented proof that materials are now being purchased much more economically than they were under the former decentralised system. He finds Vipulabh's interests more difficult to understand, since he sees no particular relationship between his responsibilities for efficient procurement, and Vipulabh's responsibilities to market the firm's products.

The president has been aware of the continuing conflict among three managers for some time, but on the theory that a little rivalry is healthy and stimulating, he has felt that it was nothing to be unduly concerned about. But now that much of his time is being taken up by much of what he considers to be petty bickering, the time has come to take some positive action.

Questions:

- a.** Is George's view of the situation realistic? How do you evaluate Vipulabh's position?
- b.** How might this conflict be associated with factors in the formal organisation? What should the president of Asha Mills do now?
