

VPM's
Programme: PGP (2015-16)
First Semester Examination July 2015

Subject	Principles of Management		
Roll No.		Marks	60 Marks
Total No. of Questions	7	Duration	3 Hours
Total No. of printed pages	2	Date	18.07.2015

Note: Q1 is compulsory and solve any FOUR from the remaining SIX questions.

Q1 – 20 Marks (Compulsory)

Mehul is the works manager at Lakshmi Engineering. Rahul has been with the company for some time as finance manager and head of the accounts and finance division, but he reports to the works manager.

Rahul's general attitude is to be tight-fisted about financial matters. He has always been conscious of the need to conform to company policies and procedures, and he firmly opposes any deviation from these, but is often willing to explain the reasons for his view. He prides himself as a man of principles. Mehul, in contrast, wants to take action regardless of past practice or policy. He considers himself to be a 'result-oriented' manager.

The differing attitudes of the works manager and the finance manager had led to conflict on past occasions, and Mehul had warned Rahul on two occasions that if Rahul could not carry out his instructions, he was free to search for a job elsewhere. Rahul argued his case with a measure of success, stating that his approach was proper and that in financial matters the policy guidelines had to be observed.

One afternoon, Mehul approached Rahul and said, 'Here is an incentive plan for the maintenance group. I am notifying it today and introducing it from tomorrow. Have a look at it.' Rahul appeared to be surprised. He had not known that an incentive plan was being contemplated for maintenance workers, as the company's policy till then was to pay incentives only to direct production workers. Nevertheless, he took the plan with him and returned to Mehul a couple of hours later. He said to Mehul, 'You can't introduce this plan straightaway. We have to give this some more thought. Our maintenance costs are too high, mainly due to the lack of adherence to norms on consumption of spare parts. This incentive plan gives no weight to the consumption of spare parts. Further, it will only add to maintenance costs without any real benefits to the company.'

Mehul's reaction was one of anger. 'You understand nothing of incentive plans,' he retorted. He further added, 'Spare-parts consumption is high because of the poor quality of spares bought by the materials department. Anyway, I don't intend to waste time on this with you. I am notifying this incentive plan today.'

An altercation followed, and Rahul and Mehul's argument got so loud that it attracted the attention of others in the hall, outside Mehul's office. 'I am the boss here,' screamed Mehul, and added, 'If you can't work with me and obey my instructions, you are free to leave your job and go elsewhere.'

A few moments later, Rahul was back in his office, tired and sullen. He called in the secretary and said, 'No, I have no option. Please write this down.' He dictated his letter of resignation.

Read the above case and answer the following questions:

Q1. Mention the leadership style used by Mehul. How effective is his style? What changes will you advise? (10 Marks)

Q2. To what extent were Rahul's needs being considered? What kind of organizational climate was created? (10 Marks)

Attempt Any FOUR from the Remaining SIX Questions

Q2) Any two from (a) or (b) or (c) ————— (5x2) = 10 Marks

- a) Comment: "Management is Science or Art." (5 Marks)
- b) What is planning? List steps in planning. (5 Marks)
- c) Distinguish between Formal and Informal Organisation. (5 Marks)

Q3) Any two from (a) or (b) or (c) ————— (5x2) = 10 Marks

- a) List the roles of managers according to Mintzberg. (5 Marks)
- b) Give a note on Control process? (5 Marks)
- c) Mention Applications of Management Perspectives for Individuals, Managers and Managing teams. (5 Marks)

Q4) Any two from (a) or (b) or (c) ————— (5x2) = 10 Marks

- a) Highlight Management skills needed to make ethical decisions and deal with concerns of stakeholders. (5 Marks)
- b) Describe steps required to build a long range plan. (5 Marks)
- c) Explain Systems approach of management with examples. (5 Marks)

Q5) Any two from (a) or (b) or (c) ————— (5x2) = 10 Marks

- a) Comment on statement -"Managers must identify, evaluate and react to the forces outside the enterprise that may affect its' operations". (5 Marks)
- b) Highlight techniques for initiating change with suitable examples. (5 Marks)
- c) In today's organizations, we have adopted technologies to perform almost all jobs. Technologies may bring good to the company as it can ensure the effectiveness and efficiency. Why do you think efficiency and effectiveness should be executed in Management? (5 Marks)

Q6) Any two from (a) or (b) or (c) ————— (5x2) = 10 Marks

- a) Give a brief note on "Social Responsibility of Management" (5 Marks)
- b) What are management responsibilities towards consumers? (5 Marks)
- c) What is TQM? (5 Marks)

Q7) Any two from (a) or (b) or (c) ————— (5x2) = 10 Marks

- a) What are management responsibilities towards community? (5 Marks)
- b) Write a note on change management and management of stress. (5 Marks)
- c) Highlight International Management Functions with examples.(5 Marks)