

K.S.R. COLLEGE OF ENGINEERING (Autonomous)

R 2018

SEMESTER - I

BA18111

PRINCIPLES OF MANAGEMENT

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Objective(s):

1. To explain the historical background and fundamentals of management thought.
2. To discuss about various concepts of planning.
3. To describe the various concepts of Organizational structure.
4. To illustrate the various management leadership concepts.
5. To develop the emerging concepts of management thought and philosophy

UNIT - I MANAGEMENT OVERVIEW

[09 Hrs]

Management: definition, nature, functions, levels and challenges - Evolution of Management thoughts - Scientific Management and Administrative Principles of Management - Managing Business Globally.

UNIT - II PLANNING

[09 Hrs]

Planning: Meaning, Purpose, steps and Types of plans - Management by Objectives (MBO): Process, Benefits, and Prerequisites - Policies: Nature and Types - Strategy: Types, Levels and Formulation - Procedures and Methods - Case study.

UNIT - III ORGANIZING AND DECISION MAKING

[09 Hrs]

Organization: Meaning and Structure - Power and Authority - Span of control - Delegation and Decentralization - Line and Staff relationship - Decision making: process, Types, Conditions and Rationality in decision making.

UNIT - IV STAFFING AND LEADING

[09 Hrs]

Staffing: Meaning, Recruitment and Selection, Sources of recruitment, Selection process - Leading: Concepts and Theories, Leadership styles - Motivational Theories: Maslow's Need Hierarchy, Herzberg's Motivation Hygiene Theory and McClellan's Need Theory.

UNIT - V CONTROLLING AND CONTEMPORARY TRENDS IN MANAGEMENT

[09 Hrs]

Controlling: Importance, Process, Methods, Requirement of effective control systems - Innovation management - Career management - Development of mentor - Protégé relationships, Self development, Knowledge management.

Total (L: 45 T: 0) = 45 Periods

Course Outcomes: On Completion of this course, the student will be able to

1. Understand the fundamentals of Management thoughts and the conceptual frame work of Management
2. Discuss the various concepts of planning, MBO and Strategy to help solving managerial problems
3. Understanding concepts of organizing, Delegation and Decision making.
4. Study and understand management concepts and styles in Leading.
5. Develop understanding about controlling and emerging concepts in management thought and philosophy

Reference Books :

1. Prasad LM, Principles and Practices of Management, Sultan Chand & Sons, Eight editions 2013, New Delhi.
2. P C Tripathi P N Reddy Principles of Management Tata McGraw Hill, 4th edition, New Delhi 2012.
3. Koontz Harold & N Weihrich Heinz Essentials of Management: An International Perspective Tata McGraw Hill, eight edition, New Delhi 2015.
4. V.S.P Rao V.Hari Krishna, Management : Text and Cases Excel Books, reprint 2008, New Delhi.
5. J S Chandan Management Concepts and Strategies Vikas Publishing House Pvt Ltd, second edition 2009, New Delhi.
6. Robbins S.P., Fundamentals of Management, Pearson, 2015, New Delhi.

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K.S.R. COLLEGE OF ENGINEERING (AUTONOMOUS), TIRUCHENGODE – 637 215
DEPARTMENT OF BUSINESS ADMINISTRATION (MBA)

NAME : Mr. K. SIVASUBRAMANI
CLASS : I MBA
SUBJECT : BA18111 - PRINCIPLES OF MANAGEMENT

UNIT - I
2 MARKS

1. What is Management?

Management is the process of giving direction and controlling the various activities of the people to achieve the objectives of an organisation.

2. Define Management.

According to knootz & Weihrich “management is the process of designing and maintaining of an environment in which individuals working together in groups efficiently accomplished selected aims”.

3. Write some characteristics of Management.

- 1) Management is a continuous process.
- 2) Managers use the resources of the organisation both physical as well as human to achieve the goals
- 3) Management aims at achieving the organisation goals by ensuring effective use of resources.

4. What are the roles of management in organisation?

- 1) Managements help in determination of the objectives of an organisation.
- 2) Economics and social development takes place through management

5. Write any two points favour for management as a science.

- 1) Management principles should be verifiable
- 2) Reliable basis for predicting future.

6. Write any two points favour for management as an art.

- 1) Management is creative.
- 2) Management includes the use of practical knowledge and personal skill.

7. What is Time study?

The movements which takes minimum time is the best one .

8. What is motion study?

Taylor suggested that eliminating wasteful movements and performing only necessary movements.

9. Write fayol's fourteen principles of management.

- 1) Division of work.
- 2) Authority and Responsibility.
- 3) Discipline
- 4) Unity of command
- 5) Unity of direction
- 6) Individual interest to general interest.
- 7) Remuneration. Centralisation
- 8) Scalar chain
- 9) Order
- 10) Equality.
- 11) Stability
- 12) Initiative
- 13) Esprit de corps

10. What is authority?

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

11. What is responsibility?

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

12. Comment: Management is both – A science and an art.

Management is a science because it contains general principles. It is also an art because it requires certain personal skills to achieve desired result.

13. What is centralization?

The organisation is centralized when the power is concentrated with one person.

14. What is decentralization?

If the power is fully distributed to the subordinates of the organisation.

15. What is scalar chain?

The instruction and orders should be sent from the top management to the lower management.

16. What are management levels?

1. Top-level management. 2. Middle level management 3. Lower level management

17. Write some important functions of top management.

1. To formulate goals and policies of the company. 2. To formulate budgets
3. To appoint top executives

18. Write any two functions of middle level management.

1. To train, motivate and develop supervisory level.
2. To monitor and control the operations performance.

19. What are essential skills needed for the manager?

1. Technical skill. 2. Human skill 3. Conceptual skill

20. Write the function of management.

1. Planning 2. Organising 3. Staffing 4. Coordinating 5. Controlling

21. What is social responsibility?

Society is the part of the management to initiate actions either to protect social interest of the society.

22. List out the groups' responsibilities of management .

1. Shareholders 2. Employees 3. Customers 4. Creditors 5. Suppliers

23. What is ethics?

All individuals in business or non-business activities are concerned with some standardized form of behaviour are known as ethics.

24. What is ethics in management?

1) Business ethics deals with morality of the business environment.
2) Business ethics relate to the behaviour of a businessman in a situation.

12 MARKS

1. Explain briefly about the various functions of Management.
2. What are the Henry Fayol's 14 principles of management? Explain.
3. Explain briefly about the different factors affecting the organizational environment.
4. Explain the overall development of management thought.
5. Management: Science or Art – Discuss.
6. Compare Management and administration.
7. Explain in detail about the different types of business organization.
8. Write the characteristics and limitations of classical approach.
9. What are the different responsibilities of managers in effective management? Explain.
10. Discuss in detail about the recent trends in management concepts.

UNIT II - PLANNING

2 MARKS

1. What is planning?

Planning is the process of selecting the objectives and determining the course of action required achieving these objectives.

2. State the important observations suggested about planning.

Planning is outlining a future course of action in order to achieve on objective. Planning is looking ahead. Planning is getting ready to do something tomorrow. Plan is a trap laid down to capture the future.

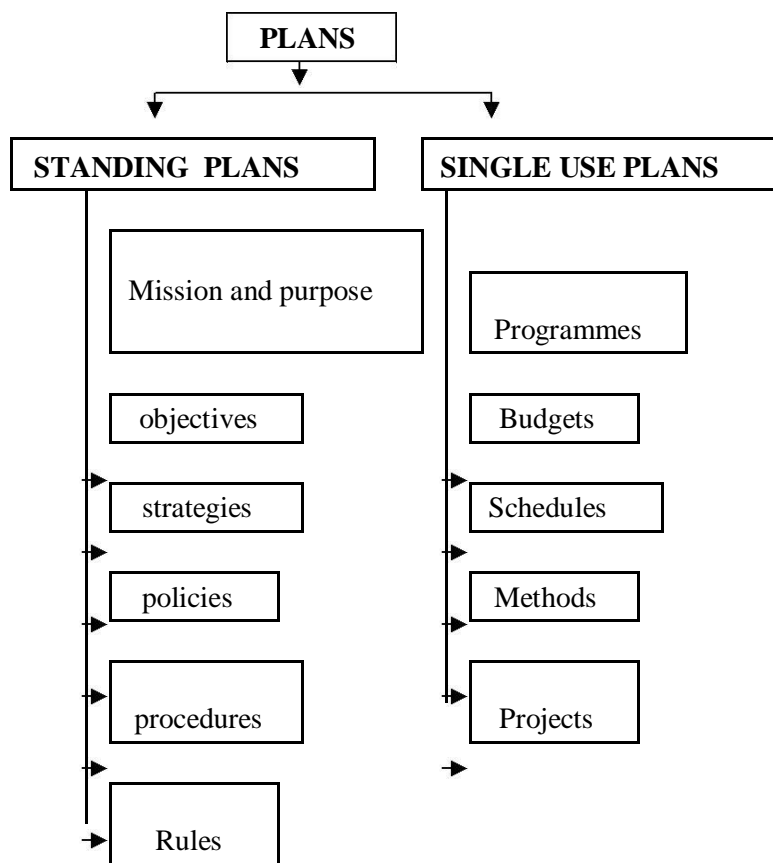
3. List out the features of planning.

Planning – a primary function Planning - a dynamic process

Planning – based on objectives and policies Planning – a selective process

Planning – an intellectual process Planning is based on facts

4. Classify various plans.



5. Define mission

Mission may be defined as a statement which defines the role that an organisation plays in the society.

6. State the important questions to answer by a good mission.

1. What is our business?
2. What should it be?

7. Define objectives.

The terms objectives or goals are often used interchangeably.

Objectives are the end results towards which the activities of firm are aimed or directed.

8. What is meant by strategies?

Strategy of an organisation is the programmes of action and deployment of resources to attain its objectives.

9. Define policies.

Policies are general statement or understandings, which provide guidance in decision making to various managers.

10. What is procedure?

A procedure is a chronological order of actions required to implement a policy and to achieve an objectives.

11. Name any two important procedures in organisation.

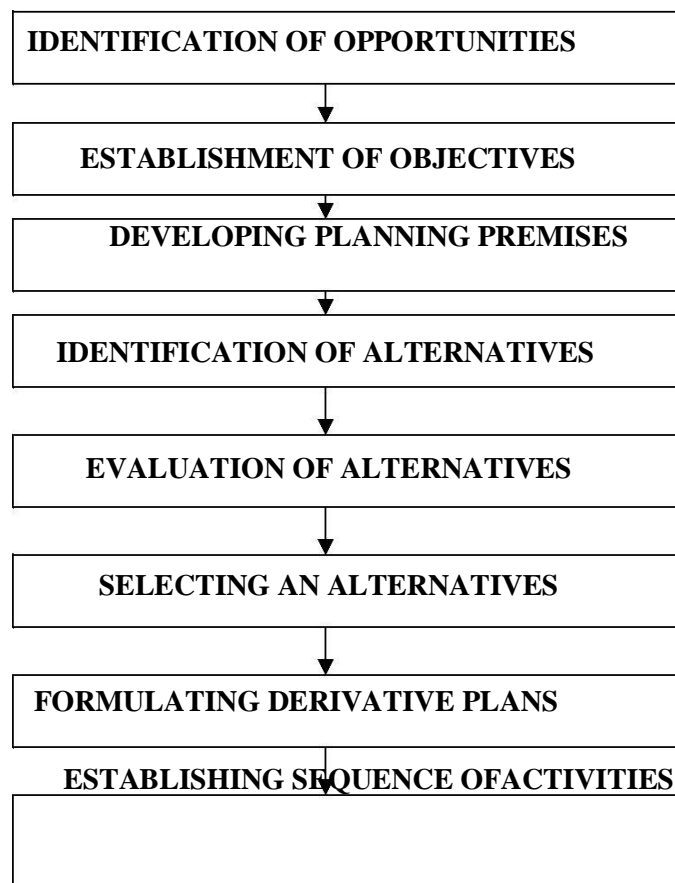
Procedures for placing orders for material and equipment.

Procedures for sanctioning different types of employee's leave.

12. Define budgets.

A budget is a statement of expected results in numerical terms and therefore it may be referred as a numerical programme.

13. Give the flow diagram of planning steps.



14. What are the advantages and limitations of planning?

Advantages

- Help in achieving objectives;
- Better utilisation of resources;
- Economy in operation;
- Improves competitive strength

Limitations.

- Lack of accurate information
- Time and cost
- Inflexibility
- Delay during emergency period

15. What is objective?

Objectives are the aims, purposes or goals that an organization wants to achieve over varying periods of time.

16. State the two approaches of objectives.

- i. Top –down approach.
- ii. Bottom –up approach.

17. What is MBO?

MBO is a process whereby, the superior and the subordinate managers of an enterprise jointly identify its common goals, define each individual's major areas of responsibility in terms of results expected of him, and use these measures as guides for operating the unit and assessing the contribution of its members.

18. Mention the features of MBO.

- i. MBO focuses attention on what must be accomplished and not how to accomplish the objectives .it is a goal oriented rather than work-oriented approach.
- ii. MBO tries to combine the long range goals of organisation with short range of organisation.
- iii. A high degree of motivation and satisfaction is available to employees through MBO.

19. What are the major kinds of strategies and policies?

- i. Growth.
- ii. Finance
- iii. Organisation
- iv. Personal
- v. Products or services
- vi. Market

20. Classify policies.

- i. Formulated policies
- ii. Appealed policy
- iii. Imposed policy
- iv. Written policies
- v. Implied policies

21. What is planning premises?

The assumptions about future derived from forecasting and used in planning are known as planning premises.

22. State the classification of planning premises.

- i. Internal and External.
- ii. Tangible and intangible
- iii. Controllable and uncontrollable

23. Define decision-making process.

Decision –making is defined as the process of choosing a course of action from among alternatives to achieve a desired goal. It is one of the functions of management and also a core process of planning.

24. What are the techniques useful while evaluating alternatives?

- i. Quantitative and Qualitative analysis
- ii. Marginal analysis
- iii. Cost effectiveness analysis

25. Classify decisions.

- i. Programmed and non-programmed decisions
- ii. Organizational and personal decisions

12 MARKS

- 1. Explain the overall decision making process.
- 2. Explain in detail about the various forecasting methods.
- 3. Explain the process of MBO.
- 4. Explain in detail about the TOWS matrix and SWOT analysis.
- 5. Define policies with its types. Explain the planning premises with types.
- 6. Explain the relationship of planning and controlling.
- 7. Discuss in detail about the performance appraisal.
- 8. Name the classifications of planning practices.
- 9. Discuss the various factors affecting the decision making process.
- 10. Explain briefly about the major kinds of strategies

UNIT III - ORGANISING

2 MARKS

1. Define organizing.

Organising is the process of identifying and grouping of activities required to attain the objectives, delegating authority, creating responsibility and establishing relationships for the people to work effectively.

2. Mention any four characteristics of an organization.

Common objectives
Specialisation or Division of labour
Authority of structure
Group of persons

3. State the advantages of organization.

Facilitate administration
Increases the efficiency of management
Facilitates growth and diversification
Ensures optimum use of man and material resources

4. List out the steps involved in organization process.

Determination of activities
Grouping of activities
Assignment of Duties
Delegation of authority

5. Mention the three categories of span of management.

Direct single relationship Direct group relationships Cross relation

6. What are the types of departmentation?

Departmentation by numbers

Departmentation by time

Departmentation by Enterprise function

Departmentation by Territory or Geography

Departmentation by customers

Departmentation by Equipment or process

Departmentation by Product or service

7. Give a note departmentation by customers.

This type of departmentation is preferred when the needs of customers are different in nature.

Some big organisation is providing special services to different of customer.

8. Define authority.

Authority is the right to give orders and the power to exact obedience.

9. List out the sources of authority.

Formal authority theory

Acceptance authority theory Competence theory

10. 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. In organisation process, authority is delegated to the individuals to perform the activities.

11. What is staff authority?

The relationship between a staff manager and the line manager with whom he works depends in part on the staff duties.

12. List the steps involved in process of delegation.

Determination of result expected Assignment of duties

Delegation of authority

Creation of obligation or accountability

13. What are the steps to be followed in making staff works effective?

Understanding authority relationship Making line listen to staff

Keeping staff informed

Requiring completed staff work

Making staff work a way of organisational life

14. State the kinds of organizational charts.

Vertical chart

Horizontal chart or left to right chart Circular chart or concentric chart

15. Define staffing.

Staffing is the part of the management process which is concerned with the procurement utilization, maintenance and development of a large satisfied work force on the organisation.

16. Write any two roles of staffing.

Effective utilization of skills and potential of the work force Development and maintenance of quality of work life

17. What is job analysis?

Job analysis is a detailed study of a job to identify the skills, experience and aptitude required for the job.

18. What is job design?

The job design is usually broad enough to accommodate people's need and desires.

19. What is job rotation?

Job rotation refers in the movement of an employee from the job to another

20. Define recruitment.

B.Flippo defined recruitment as “the process of searching for prospective employees and simulating to apply for jobs in the organisation.

21. What is selection?

Selection is the process of finding out the most suitable candidate to the job out of the candidates attracted.

22. Write down the tests used in selection process.

Aptitude test Intelligence test

Psychomotor test

Personality test

23. What is orientation?

Orientation refers to the activities involved in introducing the new employees to the organisation and its policies, procedures, rules, and regulations.

24. What is performance appraisal?

Performance appraisal evaluates the performance of worker also his potential for development.

25. What are roles of manager?

Inter-personal role Information role Decisional role

12 MARKS

1. Explain briefly about the various types of Departmentation.
2. Explain briefly about the various types of Organizational structures.
3. Discuss the span of management/managerial effectiveness.
4. Explain briefly about the overall selection process.
5. Discuss briefly the various steps involved in organizing.
6. List out the difference between Formal and Informal organization.
7. List out the basic activities of human resource development.
8. Name the types of centralization.
9. Explain about the organizational culture.
10. Explain about the human resource planning.

UNIT IV - DIRECTING

2 MARKS

1. Define multiplicity of roles.

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.

- 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.

Analysis of situation

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

4. What are the types of motivation?

Positive motivation Negative motivation Extrinsic motivation Intrinsic motivation

5. List out the basic needs in a hierarchy.

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.

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

9. What is communication?

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

10. State the need for communication.

- 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.

Simple chain

Wheel

Circular

Free flow

Inverted V

13. State the advantages of democratic leadership.

- 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?

Physical barriers

Socio-psychological or personal barriers.

Organisational barriers.

Semantic barriers. Mechanical barriers.

15. List out the effective media in communication.

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.

I) Money

II) Participation

III) 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.

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.

12 MARKS

1. Explain briefly about three theories of Motivation.
2. Explain in detail about the various functions of Leader.
3. Discuss in detail about the Creativity and Innovation.
4. Explain the various types of Leadership with its different styles.
5. Discuss in detail about the process and types of Motivation.
6. Explain the different characteristics of a Leader.
7. List the tools and techniques used in operating management system.
8. Explain briefly about MIS.
9. Explain the different barriers and breakdowns of communication process.
10. Explain in detail about the different types of Budgets.
11. Difference between Motivation and Satisfaction.

UNIT V - CONTROLLING

2 MARKS

1. Define control.

According to Koontz "Controlling is 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?

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?

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?

Management audit Return on investment PERT and CPM

9. Define budgetary control?

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 in financial form for a period of time in to the future”.

11. What are the limitations of Budgeting?

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 the ratio 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 logical means to take decisions.

20. Define Multinational Corporations.

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

21. Write some advantages of MNC.

MNC can promote quality product at lower cost.

MNC leads to increase in production aggregate employment, exports and imports of the required inputs.

MNC is paying taxes their operations increase government revenues.

22. What are global theory of management?

Situational and contingency approach. Motivation and leadership theory. Organisational behaviour.

23. Write some characteristics of Japanese management.

Japanese management prefer to human resources than it financial resources.

Japanese management favours job security.

Japanese are more favour to cooperation and teamwork.

Japanese management encourage the lower level employees' participation .

24. Write some limitations of Japanese management.

Decision making process is time-consuming process.

Promotion policy is not encourage outstanding younger employee.

25. Write some characteristics of German management.

German management is autocratic. Labour suggestions also accepted.

Managerial decisions are taken by the executive committee consultation with labour direction.

12 MARKS

1. Explain the difference between Japanese and US Management.
2. Explain in detail about MNCs.
3. Discuss in detail about the techniques used for improving Productivity.
4. Explain the term 'Reporting'.
5. Explain in detail the preventive control mechanism towards achieving a unified global management theory.
6. Impact of IT in Management concept – Discuss.
7. Discuss in briefly about the various functions of MNC.
8. Explain in detail about the Globalization and Liberalization.
9. Explain in detail reporting and ROI.
10. Write down the management concept in Germany.
11. Explain in detail the various forms of International business

CASE STUDY 1:-

Super engineering company was a multi local light engineering company. It had manufacturing facilities at Hyderabad, Pondicherry and Indore. The company adopted budgetary system with main emphasis on production and expense budgets. The budget target used to be set on the basis of the analysis of production facilities and production operations. While two units located at Hyderabad and Pondicherry were working properly and were able to meet their budget targets, indore unit was not able to do so.

Mr.P. Manohar was transferred to indore unit as plant manager. He joined the company about eight years back as engineer trainee and became the assistant plant manager at hyderabad unit, the biggest of three units. Mr. Manohar was very ambitious and a little bit autocratic. He believed in the exercise of authority and control to carry out his instructions. He was high achiever and believed in getting things done. He got quick promotions in the company.

Immediately after joining at Indore unit as plant manager, Mr. Manohar made preliminary study of the plant and issued instructions to all departments to increase production by ten percent. He also instructed all supervisors to strictly adhere to budgets. He introduced several new reports and watched the operations very closely. He suspended two supervisors in the second month for not meeting the budget targets. Subsequently two supervisors left the plant.

With all his efforts, the unit was very much on the right track and within six months exceeded the new budgeted figures by 8%. On setting the plant right, he was called back to Hyderabad unit as plant manager vacancy arose. However, shortly after he left for Hyderabad, the productivity at indore unit fell below the earlier level and the budget was again in trouble.

1. As a manager analyze the case and bring out suitable solutions.

CASE STUDY 2

The division manager had recently heard a lecture on management by objectives. His enthusiasm, kindled at that time, grew the more he thought about it. He finally decided to introduce the concept and see what headway he could make at his next staff meeting. He recounted the theoretical development in this technique, cited the advantages to the division of its application, and asked his subordinates to think about adopting it. It was not as easy as everyone had thought. At the next meeting, several questions were raised “do you have division goals assigned by the president to you for next year?” the finance manager wanted to know.

“No, I do not”, the division manager replied.” I have been waiting for the president’s office to tell them what is expected, but they act as if they will not do anything about the matter. “What is the division to do then?” the manager production asked, rather hoping that no action would be indicated. “I intended to list my expectations for the division”, division manager asked. “There is not much mystery about it. I expect \$ 30 million in sales; a profit on sales before taxes of 8%; a return on investment 15%; an ongoing performance rate by June 30, with specific characteristics I will list later, to develop our own future managers; the completion of development work on our XZ model by the end of the year; and stabilization of employee turnover by 5%”.

The staff was stunned that their superior had thought carefully about these verifiable objectives and stated them with such clarity and assurance. They were also surprised about his sincerity in wanting to achieve them. “During the next month, I want each of you to translate these objectives into verifiable goals for your own functions. Naturally, they will be different to

finance, marketing, production, engineering and administration. However you state them, I will expect them to add up to the realization of the division goals”.

Questions:

1. Can a manager develop verifiable goals, or objectives, when they have not been assigned to him or her by the president? How? What kind of information or help do you believe is important for the division manager to have from headquarters?
2. Did the division manager set the goals in the best way? What would you have done?

ASSIGNMENT TOPICS

1. Evolution of Management.
2. Types of Planning
3. Decision making process
4. Leadership Styles
5. Innovation Management