

**GURU NANAK INSTITUTE OF TECHNOLOGY**  
**An Autonomous Institute under MAKAUT**  
**2022**  
**PRINCIPLES OF MANAGEMENT**  
**HU804**

TIME ALLOTTED: 3 Hours

FULL MARKS: 70

*The figures in the margin indicate full marks.**Candidates are required to give their answers in their own words as far as practicable***GROUP – A****(Multiple Choice Type Questions) (1 mark each)**Answer any **ten** from the following, choosing the correct alternative of each question:**10×1=10****Marks****CO No.**

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|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---|--------|
| 1. (i) Henry Fayol suggested the following principles of management except<br>a) Unity of command<br>b) Authority & Responsibility<br>c) Remunerations<br>d) Principle of time and motion                                                                                | 1 | CO2    |
| (ii) The principle of “Unity of Command” implies<br>a) In union there is strength<br>b) Employees should receive orders from one superior only<br>c) Group to be assigned the responsibility of commanding<br>d) None of the above                                       | 1 | CO 2   |
| (iii) Job Specification indicates<br>a) Personal capacities and other requisites deemed necessary for actual job performance<br>b) Written statement of the principal duties of a job<br>c) (a) & (b)<br>d) None of these                                                | 1 | CO 2,3 |
| (iv) TQM focuses on<br>a) Profit<br>b) Revenue<br>c) Customers<br>d) Cost                                                                                                                                                                                                | 1 | CO 4   |
| (v) Strategy implies<br>a) Plan to arrange for organizational needs under all circumstances<br>b) Design to supplement tactical planning<br>c) A narrow plan designed to achieve tactical advantage<br>d) Plan designed to reach long term objectives of an organization | 1 | CO 2,4 |
| (vi) Which of these is NOT one of the 7S’s in the Mckinsey Model?<br>a) Staff<br>b) Strategy<br>c) Service<br>d) Structure                                                                                                                                               | 1 | CO 2,3 |

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|--------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------|---|----------|
| (vii)  | Which of these is NOT a type of plan?<br>a) Policies<br>b) Programmes<br>c) Balance Sheet<br>d) Budget                                                              | 1 | CO 1,3   |
| (viii) | A time bound plan expressed in quantitative terms is known as<br>a) Policy<br>b) Budget<br>c) Rules<br>d) Procedures                                                | 1 | CO 1,2   |
| (ix)   | How many core management principles did Henri Fayol propose?<br>a) 12<br>b) 10<br>c) 14<br>d) 8                                                                     | 1 | CO 1,2   |
| (x)    | Which of these personalities carried out the Hawthorne Experiments?<br>a) McGregor<br>b) Maslow<br>c) Taylor<br>d) Mayo                                             | 1 | CO 1     |
| (xi)   | Which of these is NOT a group development stage?<br>a) Forming<br>b) Norming<br>c) Warming<br>d) Performing                                                         | 1 | CO1, CO2 |
| (xii)  | According to Abraham Maslow needs like hunger ,thirst and sleep are<br>a) Safety needs<br>b) Esteem needs<br>c) Self- Actualization needs<br>d) Physiological needs | 1 | CO2      |

**GROUP – B**  
**(Short Answer Type Questions)**  
(Answer **any three** of the following)

|    |                                                                           | <b>3x5=15</b> |               |
|----|---------------------------------------------------------------------------|---------------|---------------|
|    |                                                                           | <b>Marks</b>  | <b>CO No.</b> |
| 2. | What are the different types of plan? Explain in brief.                   | 5             | CO1, CO2      |
| 3. | Define Management. Discuss whether Management is a Science or an Art.     | 5             | CO1           |
| 4. | State the importance of planning.                                         | 5             | CO1           |
| 5. | Discuss in brief the Maslow's Need Hierarchy Theory.                      | 5             | CO1           |
| 6. | What is Soldiering? Who first addressed this issue among workers and how? | 5             | CO1, CO2      |

## GROUP – C

## (Long Answer Type Questions)

(Answer any *three* of the following) 3x15=45

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| 7. a. What are the essential features of a Business Plan?                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | 7     | CO2, CO3 |
| b. Write a business plan as an entrepreneur seeking fund from a bank for a start-up you are planning to start.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | 8     | CO2, CO3 |
| 8. a. What are the different techniques of Scientific Management? Discuss.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | 8     | CO1      |
| b. What are the merits & demerits of this theory?                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | 7     | CO1      |
| 9. <b>Humanized Robots?</b><br>Helen Bowers was stumped. Sitting in her office at the plant, she pondered the same questions she had been facing for months: how to get her company's employees to work harder and produce more. No matter what she did, it didn't seem to help much.<br>Helen had inherited the business three years ago when her father, Jake Bowers, passed away unexpectedly. Bowers Machine Parts was founded four decades ago by Jake and had grown into a moderate-size corporation. Bowers makes replacement parts for large-scale manufacturing machines such as lathes and mills. The firm is headquartered in Kansas City and has three plants scattered throughout Missouri.<br>Although Helen grew up in the family business, she never understood her father's approach. Jake had treated his employees like part of his family. In Helen's view, however, he paid them more than he had to, asked their advice far more often than he should have, and spent too much time listening to their ideas and complaints. When Helen took over, she vowed to change how things were done. In particular, she resolved to stop handling employees with kid gloves and to treat them like what they were: the hired help.<br>In addition to changing the way employees were treated, Helen had another goal for Bowers. She wanted to meet the challenge of international competition. Japanese firms had moved aggressively into the market for heavy industrial equipment. She saw this as both a threat and an opportunity. On the one hand, if she could get a toehold as a parts supplier to these firms, Bowers could grow rapidly. On the other, the lucrative parts market was also sure to attract more Japanese competitors. Helen had to make sure that Bowers could compete effectively with highly productive and profitable Japanese firms.<br>From the day Helen took over, she practiced an altogether different philosophy to achieve her goals. For one thing, she increased production quotas by 20 percent. She instructed her first-line supervisors to crack down on employees and eliminate all idle time. She also decided to shut down the company softball field her father had built. She thought the employees really didn't use it much, and she wanted the space for future expansion.<br>Helen also announced that future contributions to the firm's profit-sharing plan would be phased out. Employees were paid enough, she believed, and all profits were the rightful property of the owner—her. | 15    | CO1, CO2 |

She also had private plans to cut future pay increases to bring average wages down to where she thought they belonged. Finally, Helen changed a number of operational procedures. In particular, she stopped asking other people for their advice. She reasoned that she was the boss and knew what was best. If she asked for advice and then didn't take it, it would only stir up resentment.

All in all, Helen thought, things should be going much better. Output should be up and costs should be way down. Her strategy should be resulting in much higher levels of productivity and profits.

But that was not happening. Whenever Helen walked through one of the plants, she sensed that people weren't doing their best. Performance reports indicated that output was only marginally higher than before but scrap rates had soared. Payroll costs were indeed lower, but other personnel costs were up. It seemed that turnover had increased substantially and training costs had gone up as a result.

In desperation, Helen finally had hired a consultant. After carefully researching the history of the organization and Helen's recent changes, the consultant made some remarkable suggestions. The bottom line, Helen felt, was that the consultant thought she should go back to that "humanistic nonsense" her father had used. No matter how she turned it, though, she just couldn't see the wisdom in this. People worked to make a buck and didn't want all that participation stuff.

Suddenly, Helen knew just what to do: She would announce that all employees who failed to increase their productivity by 10 percent would suffer an equal pay cut. She sighed in relief, feeling confident that she had finally figured out the answer.

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|-----|---------------------------------------------------------------------------------------------|--------|-------|
| a.  | How successful do you think Helen Bowers's new plan will be?                                | 5      | CO1   |
| b.  | What challenges does Helen confront?                                                        | 5      | CO1   |
| c.  | If you were Helen's consultant, what would you advise her to do?                            | 5      | CO1   |
| 10. | Define a Group. Why do people work in groups? Discuss the stages of development of a group. | 15     | CO1,2 |
| 11. | Write short notes on <b>any three</b> of the following:                                     | 3x5=15 |       |
| a.  | External sources of finance                                                                 | 5      | CO1   |
| b.  | IPR                                                                                         | 5      | CO1   |
| c.  | Objectives of TQM                                                                           | 5      | CO2   |
| d.  | Theory X & Y                                                                                | 5      | CO3   |
| e.  | Six Sigma                                                                                   | 5      | CO2   |