

HOTS

1. 'Grouping similar nature jobs into larger units called departments' is the second step in the process of one of the functions of management. Identify the function.

OR

Name the function of management which coordinates the physical, financial and human resources and establishes productive relations among them for achievement of specific goals.

2. Aman Ltd. is manufacturing toys and has production, sales, purchase and finance departments. Which type of organization structure would you suggest to them? State any three advantages of this organization structure.

OR

In a fashion-designing unit, following are the main functions: (a) Manufacturing (b) Finance (c) Marketing (d) Personal management. How will you structure the organization and why? Give any two reasons.

OR

Aman runs a factory where in he manufacture leather shoes. The business is doing well and he intends to expand by diversifying into leather bags as well as leather jackets. Which type of organization would you recommend for his expanded organization and why? Give any two reasons.

3. Hindustan Ltd. is manufacturing computers, soaps and textiles. Which type of organizational structure would suit the requirements of such organization? State any three advantages of this organization structure.
4. 'Identifying and grouping different activities, establishing authority and allocating resources required to carry out a specific plan' is one of the important functions of management. Identify and discuss the importance of management function highlighted.
5. "A manager is of the view that he is not responsible for the quality of work that he has delegated to his subordinate." Do you agree with his viewpoint? Justify your answer by giving proper argument.

OR

A sales manager assigned a target of selling 1,000 units in 1 month to 5 salesmen. One of the salesmen fell sick and at the end of the month, only 800 units could be sold. The sales manager feels that he is not responsible for this? Do you agree with his view point?

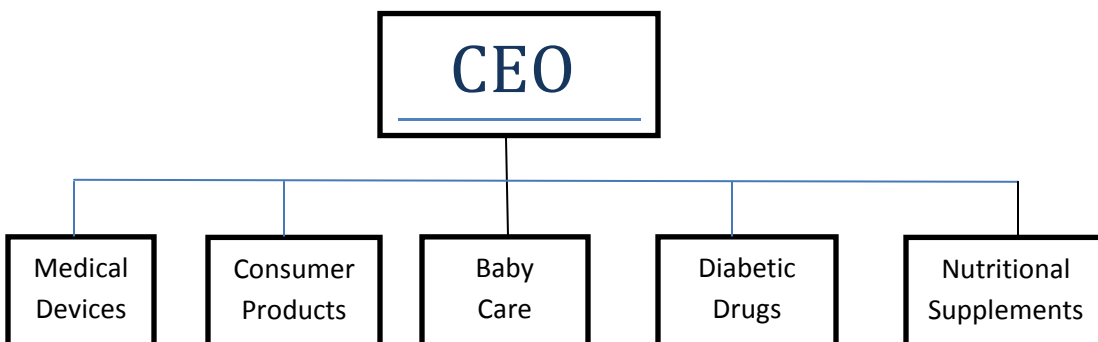
6. A company assigned duties and powers without creating formal authority-responsibility relationship. The entire business started working on gossips, rumors and on basis of personal relations. Discuss the importance of the concept lacking in the management?
7. The employees of Manik Ltd., a software company, have formed a dramatic group of their recreation. Name the type of organization so formed and state its features.
8. "Authority can be delegated but accountability cannot," Explain the statement.
9. The manager of M/s status industries is overburdened with routine work and is unable to concentrate on issues of the company. To overcome this problem, he entrusted some of his responsibility and authority to his immediate subordinate to share some of his routine work.
 - a) Which concept/process is used by the manager?
 - b) It is an extension to one of the principles of management. Name the principle.

- c) Is manager liable if the subordinate is unable to complete the task according within time?
10. Aman, Avneesh and Amrish have decided to start a business of manufacturing toys. They identified the following main activities which they have to perform: (1) Purchase of raw materials, (2) Purchase of machinery, (3) Production of toys, (4) Arrangement of finance, (5) Sale of toys, (6) Identifying the areas where they can sell their toys, (7) Selection of employees. In order to facilitate the work they thought that four managers should be appointed to look after: (a) Production (b) Finance (c) Marketing (d) Personal.
- (A) Identify the function of management involved in above mention para.
- (B) Quote the lines from above para which help you in identifying this function.
- (C) State the steps followed in this process of this function of management.
11. "Delegation of authority is based on the elementary principle of division of work." Explain.
12. Why does the need for divisional structure arise in an organization having functional structure?

"The concept of decentralization is related to the concept of delegation." Explain this statement, in brief.

OR

- "If we delegate the authority, we multiply it by two, if we decentralize it, we multiply it by many." How?
13. Can an over burdened manager take help from his subordinates? How? Explain the three important things which he should keep in mind while taking such help.
14. Every organization is characterized by both centralization and decentralization. Do you agree with the given statement?
15. A Pharmaceutical company has the following organization structure:



- a) Identify the type of organization structure followed by the company.
- b) State two merits of following such structure.

IDENTIFY THE CONCEPT

16. Out of functional and divisional structure, which one is discussed in the following cases:
- 1) All related activities are grouped in one department.
 - 2) Training is easy as employees have to be trained in only limited skills.
 - 3) A separate department is created for each major product.
 - 4) It avoids duplication of efforts and resources.
 - 5) Every department operates as multi-functional unit.

- 6) All jobs related to production are grouped in production department.
 - 7) It is suitable when large variety of products is manufactured using different methods.
 - 8) It is difficult to hold a particular department accountable in case organization goals are not achieved.
 - 9) Each division works as a profits center.
17. Identify the formal and informal organization in the following cases:
- 1) It provides speedy channels of communication.
 - 2) It is designed by the management to achieve the organizational objectives.
 - 3) The authority and responsibility of each member is clearly defined.
 - 4) It emerges to satisfy personal needs.
 - 5) It is based on personal likes and dislikes.
 - 6) Members have to behave in the prescribed manner.
 - 7) It arises automatically due to frequent contact of people with each other.
 - 8) Official relationship exists among members.
 - 9) Employees have formed a football club.
 - 10) The principle of scalar chain is followed.

SHORT ANSWER TYPE QUESTIONS

18. What does the term 'span of management' refer to?
19. Under what circumstances would functional structure prove to be an appropriate choice?
20. Can a large sized organization be totally centralized or decentralized? Give your opinion.
21. Decentralization is extending delegation to the lowest level. Comment.

APPLICATION BASED QUESTIONS

22. Decentralization is an optional policy. Explain why an organization would choose to be decentralized.
23. How does informal organization support the formal organization?
24. Neha runs a factory wherein she manufactures shoes. The business have been doing well and she intends to expand by diversifying into leather bags as well as western formal wear thereby making her company a complete provider of corporate wear. This will enable her to market her business unit as the one stop for working women. Which type of structure would you recommend for her expanded organization and why?
25. The production manager asked the foreman to achieve a target production of 200 units per day, but he does not give him the authority to requisition tools and materials from the stores department. Can the production manager blame the foreman if he is not able to achieve the desired target? Give reasons.
26. A manger enhances the production target from 500 units to 700 units per month but authority to draw raw material was not given by him. The production manager could not achieve the revised production target. Who is responsible and which principle was violated?
27. A company has its registered office in Delhi, manufacturing unit at Gurgaon and marketing and sales department at Faridabad. The company manufactures the consumer products. Which type of organizational structure should it adopt to achieve its target?

CASE STUDIES

28. A company manufacturing sewing machines, set up in 1945 by the British promoters, follow formal organization culture in totality. It is facing lot of problems in delays in decision-making. As the result, it is not able to adapt to changing business environment. The work force is also not motivated since they cannot meet their grievances expect

through formal channels, which involve red tape. Employees turnover is high. Its market share is also declining due to changed circumstances and business environment.

- a) You are to advise the company with regard to change it should bring about in its organization structure to overcome the problems faced by it.
- b) Give reasons in terms of benefits, it will derive from the changes suggest by you.
- c) In which sectors can the company diversify keeping in mind the declining market for the product of the company is manufacturing?

29. A company X Ltd. Manufacturing cosmetics, which has enjoyed a prominent position in business, has grown in size. Its business was very good till 1991. But after that, new liberalized environment has seen entry of many MNCs in the sector. With the result, the market share of X Ltd. Has declined. The company had followed a very centralized business model, with Directors and divisional heads making even minor decisions. Before 1991, this business model had served the company very well as consumers had no choice. But now the company is under pressure to reform.

- a) What organization structure changes should the company bring about in order to retain its market share?
- b) How will the changes suggested by you help the firm? Keep in mind that the sector in which the company is FMCG.

VERY SHORT ANSWER TYPE QUESTIONS

30. 'Identify and dividing the work' is the first step in the process of one of the functions of management. Identify the function.

OR

Which function of management is concerned with building structure of various parts of organization?

31. Which kind of relationship is shown by organizational structure?
32. In an electrical goods manufacturing company, there are four main activities: Marketing, Production, Finance and personnel. The General Manager is planning to structure the organization. Which type of organization structure should he adopt and why?
33. Name the organization structure which is developed keeping in mind the distinct products being produced by an enterprise.
34. An organization is manufacturing TV, Watches, CDs and detergent. What type of organization structure is suitable for this organization?

OR

A Ltd. Manufactures chemicals and textiles. What type of organizational structure would suit the requirement of such an organization?

35. In which kind of organization structure, it is easy to fix responsibility?

OR

Which kind of organization structure is more suitable for product specialization?

36. Which kind of organization network of social relationship that arises spontaneously due to interaction at work?
37. What is the direction of flow of authority in case of formal and informal organization?
38. Which term is used for downward transfer of authority from superior to subordinate?

Or

Name the process of sharing work between a manager and his subordinates?

39. Name the concept, which involves systematic delegation of authority from top management to the lower level managers.
40. "An organization may work without decentralization but not without delegation". Comment.
41. Target industries in engaged in production of two product lines: stationery items and cosmetic products. The directors of the company insist on adopting ' Functional structure'. Do you agree with their viewpoint?