

(Weightage Chapter 1,2 & 3 (16 Marks))

2 Principles of Management

Que		Marks
1	“The understanding of business environment enables the firm to identify opportunities. What is meant by ‘opportunities’ here?”	1
Ans	Opportunity refers to the positive changes that occurred in the business environment and help the organization to improve its performance.	
2	“The Principles of Management are different from those used in pure Science”. Write any one difference	1
Ans	management principles are very flexible whereas pure science principles are rigid	
3	Name the foreman who arranges all the resources input and setup to start the work smoothly ?	1
Ans	Gang Boss	
4	What is meant by principles of management?	1
Ans	these are the statements of fundamental truths which act as guidelines for taking managerial actions and effect relationship.	
5	Give the meaning of mental revolution as suggested by Taylor.	1
Ans	change in mental attitudes towards each other	
6	Distinguish between <i>Time study And Fatigue studies</i>	3
Ans	<p>Time study</p> <p>This study is done by stop watch, for finding out :-</p> <p>(i) Standard time required for a specific work.</p> <p>(ii) Number of required workers to perform a job and estimated labour cost.</p> <p>(iii) Efficient and inefficient workers.</p> <p><u>Fatigue study</u></p> <p>This study is done, for finding out :-</p> <p>(i) Number/frequency of rest intervals.</p> <p>(ii) Duration of rest intervals</p> <p>(iii) Workers feel fatigue/tiredness, by continue working.</p>	
7	The Production manager of an automobile company asked the foreman to achieve a target production of 200 scooters per day. But he did 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? Explain briefly the principle relating to the situation.	3
Ans	No. Principle of authority and responsibility is violated.	
8	Explain that technique of scientific management which is the strongest motivator for a worker to reach standard performance.	4
Ans	Differential wage system /differential piece rate	

	<p>Taylor has advised the adoption of differential wage system in order to motivate the employees according to this system wages are paid on the basis of work done and not on the basis time spent doing the work. In this system two different wage rates are used:</p> <p>One is the high wage and the other is the low wage rate. Those workers who are able to produce the standard number of units within a fixed duration are paid as per the lower wage rate. For example, let the standard output per day be 20 units and the two wage rates be Rs. 5 per unit and Rs. 4 per unit respectively. Worker 'A' produce 20 units in a day and in doing so he earns Rs. 100 (20 units x Rs. 5 per units). Another worker 'B' produces only 18 units in a day and hence he will earn only Rs. 72 (18 units x Rs. 4 per unit). In this way, even though 'B' has produced only 2 units less than 'A' the difference in their wages will be Rs. 28 (100-72). As a result less efficient workers will be motivated to work more and efficient workers will be motivated to maintain their efficiency.</p>	
9	<p>i) Name and explain the principle of management in which workers should be encouraged to developed and carry out their plans for improvement in the organization.</p> <p>ii) Name and explain the technique of scientific management which helps in eliminating unnecessary diversity of product and thus results in saving cost.</p>	4
Ans	<p>I) it is principle of initiative: According to Fayol it is the duty of the manager to encourage the feeling of initiative among his employees. For doing some work or taking some decision but within the limits of authority and discipline. It will be possible only when manager will welcome his/her sub-ordinates.</p> <p>ii. it is simplification technique: simplification means putting and end to the unnecessary types, qualities, sizes/weights, etc.</p>	
10	<p>The court passed an order that all schools must have water purifiers for the school children as:</p> <p>i. Society in general is more concert about quality of life.</p> <p>ii. Innovative technique are being developed on manufacture water purifier at competitive rates.</p> <p>iii. incomes are rising and children at home are also drinking purifier water. The government is also showing positive attitude towards the water purifier business .</p> <p>Identify the different dimensions of business environment by Quoting from the above details.</p>	4
Ans	<p>i. Legal environment: the court passed an order that all school must have water purifiers for school childrens.</p> <p>ii. Social Environment: Society in general is more concert about quality of life.</p> <p>iii. Technological Environment: Innovative technique are being developed on manufacture water purifier at competitive rates.</p> <p>iv. Political Environment: The government is also showing positive attitude towards the water purifier business.</p>	