

CHAPTER-2 PRINCIPLE OF MANAGEMENT

VERY SHORT TYPE QUESTION (1 MARK)

1. What is meant by 'Principles of Management'?

Ans. It is broad and general guidelines for decision making and behaviour of management.

2. Give anyone difference between Principle and Technique.

Ans. Principles are guidelines to take decision whereas techniques are methods to take action.

3. What is meant by 'Universality of management principles'?
Or

Why is it said that management principles are universal?

Ans. This it means that they are applicable to all kinds of organizations.

4. The principles of management aren't rigid and can be modified when the situation demands. Which nature of principles is being discussed here?

Ans. Flexibility.

5. Factory owners or managers relied on personal judgment in attending to the problems they confronted in the course of managing their work. Which principle of Taylor is it referring to ?

Ans. 'Rule of thumb'

6. What do you mean by Mental Revolution?

Ans. Mental Revolution means revolutionary change in the attitude of both workers and managers from competition to cooperation.

7. Principle of cooperation, not individualism, is an extension of which principle given by Fayol?

Ans. Principle of Harmony, not discord.

8. What is the aim of Method study?

Ans. Aim is to find one best method of doing the job.

9. What is the aim of doing motion study?

Ans. The aim of this study is to eliminate unnecessary movements so as to ensure timely completion of work.

10. What is the purpose of time study?

Ans. To estimate/ determine a fair day's work.

11. Name the techniques of Taylor which is the strongest motivator for a worker to reach standard performance.

Ans. Differential Piece Wage system.

12. The directors of XYZ limited, an organisation manufacturing computers, want to double the sales and have given the responsibility to the sales manager. The sales manager has no authority either to increase sales expense or appoint new salesmen. Hence, he could not achieve this target. Identify the principle violated in this situation.

Ans. Principle of Authority and Responsibility.

13. A company manufacturing motorcycles and cars should have separate divisions for both, headed by separate divisional managers, separate plans and resources. Identify the principle with the help of this example.

Ans. Unity of Direction.

SHORT TYPE QUESTIONS (3 AND 4 MARKS)

1. 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.

Ans. No,

Principle of authority and responsibility is violated.

2. Principal of Taylor and Fayol are mutually complementary. One believed that management should not close its ears to constructive suggestion made by the employees, while the other suggested that a good company should have an employee suggestion system, whereby suggestions which result in substantial time or cost reduction should be rewarded.

Identify and explain the principles of Taylor and Fayol referred in the above para.

Ans. Cooperation, not individualism AND Initiative.

3. Shaaranya Ltd. was engaged in the business of manufacturing auto components. Lately, its business was expanding due to increased demand for cars. The competition was also increasing. In order to keep its market share intact, the company directed its workforce to work overtime. But this resulted in many problems.

Due to increased pressure of work the efficiency of workers declined.

Sometimes the subordinates had to work for more than one superior. The

workers were becoming indisciplined. The spirit of team work, which had characterized the company previously, had begun to wane.

Identify, quoting the lines from the above the General principles of managements being violated.

ANS: 1.Sometimes the subordinates had to work for more than one superior.-

Unity of command

2. The workers were becoming indisciplined. - Principle of discipline

3. The spirit of team work, which had characterized the company previously, had begun to wane- Espirit-de-corps

4. **An environmental conscious multinational company "AXN Ltd." follows certain well defined business principles that result to minimize the employee turnover. Following are some of the important environmental factors followed by 'AXN Ltd.'**

(1) Honour the law of every country in which it operates.

(2) Respect the culture and customs of all nations.

(3) Provide clean and safe products to enhance the quality of life throughout the world.

(4) Develop a culture in the company that enhances individual creativity and teamwork while honouring mutual trust and respect between management and labour.

From the above:

(i) Identify and state any one general principle of management and any one dimension of business environment.

(ii) Also identify any two values which the above guiding principles and environmental factors are conveying to the society.

Ans. (i) Principle of management:(Any one)

(a) Stability of personnel

(b) Esprit de corps

(c) Initiative

Dimension of business environment :(Any one)

(a) Legal environment.

(b) Social environment.

(ii) Values being conveyed: (Any two)

(a) Respect for law

(b) Cleanliness and hygiene

(c) Raising standard of living

(d) Secularism

Long answer type questions(5/6 marks)

1. Explain the technique 'Functional Foremanship'

Ans. Functional foremanship is the extension of the principle of specialization. This technique emphasises on the separation of planning from execution. To facilitate it, Taylor suggested setting up of "planning in charge" and "production in charge".

FUNCTIONAL FOREMANSHIP

Planning In charge: The main function of "planning in charge" is to plan all aspects of a job to be performed. It consists of four positions:

- (i) **Route clerk:** He determines the sequence to perform various mechanical and manual operations.
- (ii) **Instruction card clerk:** He issues instructions to the workers to be followed by them.
- (iii) **Time and cost clerk:** He is concerned with the framing of time schedule on the basis of determined route. Also, he keeps the record of the cost of operations.
- (iv) **Disciplinarian:** He is concerned with the coordination in each job from planning to successful execution. He enforces rules and regulations and maintains discipline.

Production In charge: It consists of following four specialists who are concerned with the execution of plans.

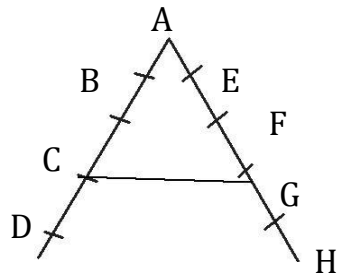
- (i) **Speed Boss:** He checks whether work is progressing as per schedule. He ensures timely and accurate completion of jobs.
 - (ii) **Gang Boss:** He arranges machines, materials, tools, and equipment properly so that workers can proceed with their work.
 - (iii) **Repair Boss:** He ensures that all machines, tools, equipment are in perfect working order.
- Inspector:** He ensures that the work is done as per the standards of quality set by planning department.

2. Name and explain that principle of Fayol which suggests that communication from top to bottom should follow the official lines of command. - 5 or 6 Marks

Or

Explain the 'Principle of Scalar Chain' with an example.

Ans. In an organization, the formal lines of authority, from highest to lowest level of all superiors and subordinates, are known as scalar chain. The principle of scalar chain suggests that there should be a clear line of authority from top to bottom, linking superiors and subordinates at all levels. The scalar chain serves as a chain of command as well as communication. In normal circumstances, the formal communication is required to be made by following this chain.



Scalar Chain and Gang Plank

Example: The above figure shows the scalar chain linking managers at lower levels with the top management. If D has to communicate with G, The message should ordinarily move up through C and B to A, and then down from A to E, F and G.

Above mentioned chain has following disadvantages:

- (i) It causes delay in reaching communication to the required level.
- (iii) Creates the possibility of distortion of information flow as various levels are involved.

To avoid delays and to remove hurdles in the exchange of information, concept of Gang Plank has been suggested by Fayol, shown by the dotted line joining D and G.

3. Explain the techniques of scientific management which is the strongest motivation for a worker to teach standard performance.

Ans. Explain in brief differential wage system.

4. Explain the following techniques of scientific management.

(i) Time study

(ii) Simplification of work

Ans. (i) It refers to determine the standard time required to complete a particular work.....explain the whole study in brief.

(ii) Simplification means putting an end to the unnecessary types qualities sizes, weights etc.explain with examples.