

ST. JOSEPH'S COLLEGE (AUTONOMOUS) BENGALURU – 27
MID SEMESTER EXAMINATION – AUGUST 2019
B.COM – I SEMESTER
IFA 1219: PRINCIPLES OF MANAGEMENT

TIME: 1 Hour

MAX. MARKS: 30

SECTION A

Answer any FIVE of the following questions. Each question carries two marks. (5x2=10)

1. (i) Which of the following is the MAIN function of marketing?
 - a. To maximise sales volume
 - b. To identify and anticipate customer needs
 - c. To persuade potential consumers to convert latent demand into expenditure
 - d. To identify suitable outlets for goods and services supplied
- (ii) The following are stakeholders of a business organisation
 - a. Manager
 - b. Customer
 - c. Executive Director
 - d. Supplier

Which of the above are connected stakeholders?

- a. a,b,c
 - b. b & d
 - c. b & c
 - d. b,c,d
2. Kelly wants to explain a business problem to Pawel on the telephone.
Who will be involved in '**encoding**' the communication that takes place?
 - a. Kelly
 - b. Pawel
 - c. Kelly and Pawel
3. (i) Which one of the following is a potential advantage of decentralisation?
 - a. Risk reduction in relation to operational decision-making
 - b. More accountability at lower levels
 - c. Consistency of decision-making across the organisation
- (ii) Which of the following statements regarding the entrepreneurial structure is correct?
 - a. A It usually allows for defined career paths for employees
 - b. It often enjoys strong goal congruence throughout the organisation

- c. It can normally cope with significant diversification and growth
4. (i) Responsibility can be delegated by management, as long as they also delegate sufficient authority. Is this statement **TRUE** or **FALSE**?
- True
 - False
- (ii) Which of the following is **NOT** a way in which an organisation's production department would co-ordinate with its accounting department?
- Calculating charge out rates for services provided by the organisation
 - Calculating the budgets for the number of units to be produced
 - Estimation of the costs of the raw materials required for production
 - Decisions on the quality of raw materials that the organisation can afford to use
5. H Co makes a variety of unrelated products, including bicycles, furniture and electronics. It is aware that each of these products requires very different strategies and functions. H wishes to use a structure that will allow for each product to be managed separately, but wishes to minimise its overall administrative costs.

Which of the following organisational structures would be most appropriate for H Co to adopt?

- Divisional
 - Entrepreneurial
 - Functional
 - Matrix
6. What element of the marketing mix are the following situations confined to?

Circumstances	Product	Place
XYZ Ltd., are engaged in manufacturing and selling Board games. It is currently considering the packaging, quality and design of the board games as part of a strategic review.		
A key decision when reviewing the marketing mix is whether to sell directly to the consumer or indirectly through an intermediary.		

7. Fayol defined authority as the:
- Right to give orders
 - Power to exact obedience
 - Ability to force workers to follow orders
 - Ability to delegate responsibility

Which of these statements are correct?

- a. a & b
- b. b & c
- c. c & d
- d. b & d

SECTION B

Answer any TWO of the following questions. Each question carries five marks. (2x5=10)

8. Explain the four key principles of Taylor's scientific Management. And point out any two criticisms of the classical models.
9. Brief out the process of Human Resource Planning and control over HR plan in an organisation.
10. Elucidate the importance of Finance function in managing the Working Capital of an organisation.

SECTION C

Answer the following compulsory question. The question carries ten marks. (1x10=10)

11. Indane Biscuits factory employs labour on a daily basis. The management does not follow statutory regulations and are able to get away with violations by keeping the concerned inspectors in good books. The factory has a designated room to which employees are periodically called either to hire or to fire. As a part of National Safety Day, the Industries Association, of which the Indane Biscuits is a member, decided to celebrate collectively at a central place. Each of the members was given specific tasks. The Personal Manager, Indane Biscuits, desired to consult his supervisors and to inform everybody through them about the safety day celebrations. He sent a memo requesting them to be present in the room meant for hiring and firing. As soon as the supervisors read the memo they all got panicky thinking that now it was their turn to get fired. They started having 'hush-hush' consultations. The workers also learnt about it and since they had a lot of score to settle with the management, they extended their sympathy and support to the supervisors. As a consequence everybody struck work and the factory came to a grinding halt. In the meantime, the Personnel Manager was unaware of the developments and when he came to know of it, he went immediately and tried to convince the supervisors about the purpose of inviting them and the reason why that

particular room was chosen. The Personnel Manager, had selected the room because no other room was available. But the supervisors and the workers were in no mood to listen. The Managing Director, who rushed to the factory on hearing about the strike, also couldn't convince the workers. The matter was referred to the labour department. The enquiry resulted in all irregularities of the factory getting exposed and imposition of heavy penalties. The Personnel Manager was sacked. The factory re-opened after prolonged negotiations and settlements.

Questions

- i. Identify the communications barriers in this case and write a brief note of the same.
- ii. Identify the flow of communication in Indane Biscuits.
- iii. What role did grapevine play in Indane Biscuits?
- iv. What is the type of organisation structure prevailing in Indane Biscuits? And justify your answer.
- v. Which **FOUR** of the below are required features of effective communication?
 - a. Cost effective
 - b. Relevant
 - c. Complete
 - d. Qualitative
 - e. Widely available
 - f. Timely
 - g. Quantitative
 - h. Informal