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ST. JOSEPH'S COLLEGE (AUTONOMOUS), BANGALORE-27

**BCom IFA - I SEMESTER
SEMESTER EXAMINATION: OCTOBER 2019
BCIFA 1219 – PRINCIPLES OF MANAGEMENT**

Time- 2 1/2 hrs

Max Marks-70

This paper contains 5 printed pages and four parts

SECTION A

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

1. Are the following statements **True or false**?
 - a) Strategic level decisions do not required to be supported with highly detailed, internal information
 - b) To be considered good quality, information must be – amongst other things – easy to use
2. GHF Co is currently examining its organisational structure, with particular focus on its informal organisation. Which of the following statements regarding the informal organisation is correct?
 - a. If managers become involved in the informal organisation, employee motivation and productivity usually fall.
 - b. The informal organisaton typically tends to encourage employees to act as individuals.
 - c. The informal organisation may form a significant part of the opposition managers face if they attempt to implement changes in the organisation.
 - d. Interdivisional communication tends to be weaker through the informal network when compared with formal communications
3. According to Blake and Mouton's managerial grid, managers can be classified by their level of concern for people and concern for production.

		Concern for production	
		High	Low
Concern for people	High	A1	A2
	Low	A3	A4

In company X, the following managers have been ranked on the managerial grid.

Manager A has been classified as an 'impoverished manager'.

Manager B has been classified as a 'team manager'.

Manager C has been classified as a 'country club manager'.

Manager D has been classified as a 'task manager'.

Mention which managers' will be in A1, A2, A3, A4.

- a. For Manager A, highlight which combination of levels of concern apply from the grid above .
 - b. For Manager B, highlight which combination of levels of concern apply from the grid above.
 - c. For Manager C, highlight which combinations of levels of concern apply from the grid above.
 - d. For Manager D, highlight which combinations of levels of concern apply from the grid above.
4. i. Which of the following structures results in a potential loss of control over key operating decisions and a reduction in goal congruence?
- a. Matrix
 - b. Entrepreneur
 - c. Functional
 - d. Geographic
- ii. According to Honey and Mumford, what style of learning is being adopted by each person?

	Pragmatist	Reflector	Activist
A) X dislikes reading instruction booklets and prefers a hands-on approach to learning			
B) Y learns by watching others undertake a task first, before trying to imitate them.			

5. B's manager has informed him of the goals that will be measured against for the coming year. At the end of the year, B's manager then discussed how well B performed against these targets in the year and what the following year's targets should be, along with how B would be expected to achieve this targets.

Which stage of the performance appraisal process is missing from B's appraisal?

- a. Monitor
 - b. Review
 - c. Action plan
 - d. Set targets
6. Consider the following statements:

- (i) The scalar chain relates to the number of people over whom a manager has authority.
- (ii) A business with highly skilled, motivated members of staff will tend to have a wider span of control than a business with demotivated employees.

Which of these statements is/are correct?

- a. (i) only
- b. (ii) only
- c. Both
- d. Neither

SECTION B

Answer any **THREE** of the following questions. Each question carries **FIVE** marks.

(5x3=15)

- 7. What is meant by Delegation? Discuss any four benefits of delegation in detail.
- 8. Explain how a company raises money (sources of finance) using the expertise in its treasury.
- 9. Describe in detail Kotter's change approaches to deal with resistance.
- 10. (i) Carrie is currently leading a team that is currently trying to launch a new IT system for F plc. Unfortunately, F has been very vague about the requirements of the new system, which is causing Carrie's team significant difficulties. Carrie doesn't really get on well with her team, who seem to dislike her management style. Carrie has felt very frustrated in recent weeks, as she feels that several members of her team need disciplining because of their poor behaviour, but Carrie does not have the authority to do this. According to Fiedler, which leadership style should Carrie adopt? Justify your answer.
- (ii) The accounts manager holds a departmental meeting every Monday at 10.00 am.

How would **Fiedler** define this manager?

- a. Psychologically distant
- b. Psychologically close

SECTION C

Answer any **TWO** of the following questions. Each question carries **FIFTEEN** marks.

(2x15=30)

- 11. (i) Describe in detail the various types of Boundaryless structure of organisations.
- (ii) Write short notes on Tall and Flat organisation
- (iii) What do you mean by marketing? Brief out the four P's of marketing.

12. (i) Explain in detail, Mintzberg's ten skills of the manager.
(ii) Give a note on Ashridge Management College, styles of management.
13. Elaborate the stages involved in Recruitment and Selection

SECTION D

Answer the following question. The question carries FIFTEEN marks (1X15=15)

14. Green Horn is an Atmospheric Fluidized Bed Boilers producing company with an annual turnover of 40 Billion. Green Horn, which commenced its operations in the year 1979, has now become a company capable of designing, manufacturing and constructing a wide range of boilers, thermal oil heaters, energy chillers and customized products like exhaust gas boilers. This company has about 6,800 employees, including people in technical as well as non-technical categories. Green Horn's product development and project management capabilities are backed by a robust R&D set up, which has dedicated technology development and adaptation facilities for various industrial applications.

Green Horn has been facing problems in sticking to the promised delivery schedule due to production bottle necks as well as heavy order booking. As a part of its strategic move to reduce time delay and cost escalation in commissioning of boilers, the company increased its outsourcing from what was initially, 35% - 40% to 55% - 60% for all products. Green Horn expected that this outsourcing decision would enable it to reduce the cost of expanding the facility from an estimated 14 billion to 9 billion. It also planned to substantially boost its manufacturing capability through this outsourcing exercise. In fact, Green Horn's top management viewed this enlarged outsourcing as a solution to all its problems relating to time delay and cost overruns.

However, the outsourcing strategy of Green Horn simply backfired and the end result was just the opposite of what it aimed at achieving. It failed to achieve both cost reduction and faster commissioning of boilers. Actually, it began to witness serious time delays in the receipt of outsourced components from vendors leading to cost escalation in the projects. However, the quality of the outsourced material conformed to the standards set by the company. Quite obviously, managers of different functional departments, i.e. manufacturing, material management, engineering and commercial began to complain about the serious disturbances in the production schedule. Sadly, Green Horn further faulted on its delivery promises and thus incurred the wrath of customers.

For their part, the vendors of the company complained about the absence of any on-site support from Green Horn for solving various technical problems. For them, these technical problems appeared to be the root cause of delay in their timely completion of components outsourced by Green Horn. Though the top management is caught hold by the problems relating to outsourcing, it still believes that its strategy of outsourcing can work well provided there is better coordination among all the interested parties.

1. Which function of management is emphasized in this case study? Give the meaning of the same.
2. In your opinion, what went wrong in the outsourcing decision of Green Horn? Point out the sentences justifying it from the case study.
3. What measures need to be taken regarding the complaints of the vendors? List out your suggestions with justification.
4. What according to you is the long-term solution to the problems associated with outsourcing from the function of management emphasized in this case study?
5. What type of organisational structure does Green Horn has? Give the meaning of the same and draw the organisational structure of Green Horn Company using the information provided regarding its departments.

(3+3+3+3+3=15 marks)