

CHAPTER-2 PRINCIPLES OF MANAGEMENT ASSIGNMENT

A. TRUE AND FALSE

1. According to subordination of individual interest to general interest, interest of the individual must prevail over interest of the organisation.
2. Unity of command suggests that an employee should receive orders and be accountable to only one superior.
3. Scalar chain is crucial to ensure unity of command and effective communication in the organisation.
4. Fayol is known as the 'Father of Scientific Management'.
5. Fayol was a mining engineer, whereas Taylor was a mechanical engineer.
6. According to principle of 'Order', there should be a place for everything and everyone.
7. Esprit de corps means all employees should be treated in the same manner.
8. Management principles are tailor-made tools.
9. Fayol's principles are applicable in specialised situations, whereas, Taylor's principles have universal application.
10. Division of Work applies to both managerial as well as technical work.
11. Remuneration should always be fair to employees even if it is not favourable to the organisation.
12. Fayol's principles were formed through personal experience, whereas Taylor's principles were formed through experimentation.
13. Principles of management not only help in achieving organisational goals but also guide managers in performing social responsibilities.
14. Unity of direction prevents unnecessary duplication of efforts and wastage of resources.
15. Management principles are rigid statements.
16. The guidelines developed through observation are repeatedly experimented to test the validity of management principles.
17. Gang plank permits horizontal communication.
18. Fayol's principles are applicable at the top level of management, whereas, Taylor's principles are applicable at the shop floor.

B. FILL IN THE BLANKS

1. Management principles provide the _____ relating to the subject.
2. There is a _____ and _____ relationship in the management principles.
3. Mental revolution is a part of _____ management.
4. _____ is known as the father of scientific management.
5. Functional foremanship is an extension of _____.
6. Scalar chain is also known as the chain of _____.
7. Fayol also suggested a short cut to scalar chain, known as _____.
8. According to _____ each subordinate must have only one boss.
9. Fayol classified team spirit as _____.
10. Under differential piece rate plan, efficient and inefficient workers are paid at _____ rates.
11. _____ means that there should be one head for one plan.
12. According to principle of _____ workers performing similar jobs should be paid the same wage rate.
13. Since management principles are practiced in all types of organisations, they have _____.
14. According to _____ workers must be given reasonable time to show results.

1. Principles of management are not:
 - a. Absolute
 - b. Flexible
 - c. Universal
 - d. Behavioural
2. How are principles of management formed?
 - a. By experiences of customers
 - b. By propagation of social scientists
 - c. In a laboratory
 - d. By experiences of managers
3. The principles of management are significant because of:
 - a. Adaptation to changing technology
 - b. Increase in efficiency
 - c. Initiative and Optimum utilisation of resources
 - d. All of these
4. Principles of management cannot be _____
 - a. Applied Everywhere
 - b. Tested in Laboratories
 - c. Defined
 - d. Part of business
5. Which of the following can be tested in the laboratories?
 - a. Principles of pure science
 - b. Principles of Pure Art
 - c. Principles of management
 - d. None of these
6. What is meant by 'Principles of Management'?
7. What is meant by 'Techniques'?
8. What is meant by values ?
9. Give any one difference between principle and technique.
10. Give one reason why principles of management do not provide readymade solution to all managerial decisions.
11. Do you agree that management principles are rigid? Why?
12. How have the management principles been derived?
13. Principles are formed by hit and trial method. Do you agree?
14. 'The management principles can be applied to all types of activities'. Which characteristic of management is highlighted by this statement?
15. The principles of management aren't rigid and can be modified when the situation demands. Which nature of principles is being discussed here?
16. The degree of concentration of authority (Centralisation) or its dispersal (Decentralisation) will depend upon the situations and circumstances of each enterprise. Which characteristic of management is highlighted by this statement?
17. "Management principles are relative, not absolute." Explain.
18. Give one reason why principles of management are called contingent.
19. Why is it said that principles of management are not purely perfect?
20. Management principles are universally applicable. Do you agree?
21. Explain how Principles of Management:
 - (i) provide useful insights into reality and (ii) help in thoughtful decision making.
22. Explain how principles of management:
 - (i) help the managers in taking scientific decisions, and (ii) provide the managers with useful insights into real world situation.
23. The father of Scientific Management is:
 - a. Charles Babbage
 - b. Henri Fayol
 - c. F.W. Taylor
 - d. Peter Drucker
24. How many functional specialists were suggested by Taylor?
 - a. Six
 - b. Four
 - c. Eight
 - d. Seven
25. Taylor focussed his attention on:
 - a. Shop Floor
 - b. Top Level
 - c. Middle Level
 - d. All the levels

26. Scientific Management:
- a. Adopts trial and error method
 - b. Eliminates rule of thumb approach
 - c. Stress on Forecasting
 - d. All the above
27. The main aim of Taylor was to:
- a. Improve labour relations
 - b. improve Productivity
 - c. Fight for workers' rights
 - d. Attempt managements theory
28. She/he keeps machines, materials, tools etc., ready for operations by concerned workers?. Whose work is described? by this sentence under functional foremanship
- a. Repair Boss
 - b. Gang Boss
 - c. Route Clerk
 - d. Instruction Card Clerk
29. Which of the following is NOT a Principle of management given by Taylor?
- a. Functional foremanship
 - b. Harmony not discord
 - c. Maximum not restricted output
 - d. Science, not rule of the Thumb
30. Management should find? One best way? to perform a task. Which technique of scientific management is defined in this sentence?
- a. Fatigue Study
 - b. Motion Study
 - c. Time Study
 - d. Method Study
31. Harmony, Not Discord principle is concerned with_____
- a. Management should share the gains of company with workers
 - b. Scientific inquiry
 - c. Observation and Analysis
 - d. Investigation of Task
32. Functional foremanship is based on the _____
- a. Remuneration System only
 - b. Union is strength
 - c. Principle of division of work
 - d. Marketing
33. Who is responsible for keeping machine and tools ready for operation?
- a. Inspectors
 - b. Gang Boss
 - c. Speed Boss
 - d. Repairs Boss
34. Basic aim of Functional Foremanship is _____
- a. Not to provide free time to workers
 - b. Not to divide the work
 - c. To separate planning functions from executive functions
 - d. To separate Top level management from Chief Executive Officer
35. Repair boss ensures that
- a. Each worker keeps his machine in good order
 - b. Machines run at their best speeds and proper tools are used by the workers
 - c. Workers perform with the best of their ability
 - d. All information regarding pay of the workers is send
36. Route Clerk
- a. Prepares detailed instructions regarding different aspects of work such as machines and tools
 - b. Lays down the sequence of operations and instructs the workers
 - c. Deals with cases of breach of discipline and absenteeism
 - d. Guides the workers to perform with best of their ability
37. Inspector
- a. Prepares detailed instructions regarding different aspects of work such as machines and tools
 - b. Checks quality of goods
 - c. Deals with cases of breach of discipline and absenteeism
 - d. Guides the workers to perform with best of their ability

- 38.** Identify the technique or principle of scientific management in the following cases:
- (i) Wages are given to workers on the basis of performance.
 - (ii) Finding one best way of doing a job.
 - (iii) It violates the principle of Unity of command.
 - (iv) It determines the rest intervals needed in completing a task.
 - (v) It helps to identify unnecessary movements in doing a job.
 - (vi) It introduces uniformity in materials, machines, tools and methods of work.
 - (vii) It facilitates determination of standard time needed to perform a job.
 - (viii) Many specialists supervise each worker.
 - (ix) It aims to eliminate unnecessary diversity of product.
 - (x) Technique of wage payment recommended by Taylor.
- 39.** Identify the techniques of scientific management, which are described by the statements given below.
- (a) When many specialists supervise each worker.
 - (b) When uniformity is introduced in materials, machines, tools, methods of work and working conditions after due research.
 - (c) To determine standard time taken to perform a well-defined job.
 - (d) Giving variable wages to workers based on their performance.
 - (e) Change in the attitude of workers and management towards one another from competition to cooperation.
 - (f) To find out best way to do the job.
- 40.** What is meant by Scientific Management?
- 41.** Who gave the concept of scientific management? What was his profession?
- 42.** Who is regarded as the father of scientific management?
- 43.** Which principle of scientific management suggests the introduction of scientific investigation and analysis of management practice?
- 44.** Which principle of scientific management states that work must be carried on in cooperation with each other?
- 45.** 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?
- 46.** Principle of cooperation, not individualism, is an extension of which principle given by Fayol?
- 47.** What is required to ensure harmony among workers and managers?
- 48.** Give any two ways to ensure cooperation between managers and workers.
- 49.** Give the meaning of 'Mental Revolution' as suggested by F.W. Taylor.
- 50.** Why did Taylor insist on having specialized foreman?
- 51.** "He/She drafts instructions for the worker". Whose work is being described by this sentence under Functional Foremanship?
- 52.** Which technique of Taylor suggests that each worker should be supervised by specialists? Give the designations of any four specialists suggested by him.
- 53.** What is the main objective of simplification in scientific management?
- 54.** What do you mean by the term simplification?
- 55.** Explain the technique 'simplification of task'. Explain any two purposes served by the technique 'simplification to task'.
- 56.** What do you mean by standardization of work?
- 57.** Name and explain the technique of scientific management, which helps in establishing interchangeability of manufactured parts and products.

58. Which technique of scientific management helps in making economical use of machines and tools? Identify and discuss it briefly.
59. What is the aim of doing Motion study?
60. State the objective of motion study.
61. What are the techniques used for doing Method study?
62. Which technique of Taylor is the extension of the principle of 'division of work' and 'specialisation'?
63. Which technique involves a change in the attitude of workers and management towards one another from competition to cooperation?
64. What is the main objective of a. motion study b. fatigue study c. method study
65. Which technique of Taylor differentiates between efficient and inefficient worker?
66. Which technique of Taylor violates Fayol's unity of command? Which techniques of Taylor is accordance with Fayol's principle of Initiative and Esprit De Corps?
67. Which technique of Taylor acts as the strongest motivator for a worker to reach standard performance?
68. Identify the principle of management in the following cases:
- (i) Employee is given responsibility to achieve target production, but no authority is given for access to raw materials.
 - (ii) There should be one and only one boss for every individual employee.
 - (iii) Each group of activities having same objectives must have one head and one plan.
 - (iv) Manager should replace "I" with 'We' in all his conversations with workers.
 - (v) An organisation must provide right place for resources.
 - (vi) Employees should be treated with justice and kindness.
 - (vii) Employees should not be moved from their positions frequently.
 - (viii) Management should promote a team spirit of unity and harmony among employees.
 - (ix) One head for one plan.
 - (x) Company should honor the commitments, it has made to its employees.
 - (xi) Ramesh's objective is sacrificed to achieve the organisational objective.
 - (xii) Some part of profits be given to employees as bonus on reasonable basis.
 - (xiii) A subordinate should not contact higher authorities by passing his immediate superior.
 - (xiv) Workers performing similar jobs should be paid similar wages.
 - (xv) Workers should be encouraged to develop and carry out their plans for development.
 - (xvi) Violation of this principle leads to increase in cost of recruitment, selection and training.
69. In each of the following cases which principle of management as given by Henri Fayol is being violated?
- (a) When no division of the company has a separate plan of action.
 - (b) When a sales manager is not given the right to discount to the buyer necessary to conclude a large sales contract, which will be profitable for the company.
 - (c) When a subordinate receives order from two superiors.
 - (d) When a manager awards contract for supply of raw material to a particular party, which happens to be owned by his relative ignoring other parties, who can supply the same at a cheaper rate.
 - (e) When a subordinate habitually contacts higher authorities in the company by passing his/her immediate superior.
 - (f) When the tools and /or raw materials are not found at the right place in the factory.
 - (g) When the employee is given responsibility to achieve target production of 500 units with no authority to access over raw materials.
 - (h) When the manager grants one month medical leave to a supervisor with pay and only one week medical leave to accountant.

70. Division of work does not help
 a. Dividing work into small task
 c. Producing more with less effort
 b. Specialisation.
 d. Honouring commitment
71. Which statement is false about Discipline ?
 a. obedience to organisational rules
 c. honouring commitments without any prejudice
 b. Judicious application of penalties.
 d. Minimises use of penalties.
72. Which statement is false about division of work small task
 a. Applies to all kinds of work
 c. helps in increasing efficiency
 b. Applies to all types of organization
 d. none of these
73. Which statement is false about Authority ?
 a. right to give orders and obtain obedience
 c. only formal and not informal.
 b. of two types official and personal
 d. to carry out responsibility
74. A manager asks his workers to work extra for completing the work and promises his workers extra payment for the same but later on he refuses to pay. Which principle of Fayol is violated ?
 a. Unity of Command b. Unity of Direction c. Equity d. Discipline
75. A manager asks his workers to work extra for completing the work and later on workers asks for extra payment for the same but he refuses to pay. Which principle of Fayol is violated ?
 a. Initiative b. Remuneration c. Equity d. Discipline
76. Division of work can be applied to
 a. Schools b. Hospitals c. Business Organisations d. All of the above
77. Which statement is true about Authority and Responsibility?
 a. Responsibility is the corollary of authority.
 b. There has to be proper balance between authority & responsibility.
 c. Both 1 and 2
 d. Only 2 but not 1
78. A hospital has divided various activities according to their nature and formed dental, orthopaedic, ENT department following one plant one head. Which principle of Fayol has been applied ?
 a. Unity of Command b. Unity of Direction
 c. Division of Work d. Authority and Responsibility
79. Which statement is false about Unity of command?
 a. One and only one boss for every individual
 c. Affects discipline, order and stability
 b. Receive order and reporting to only boss.
 d. Prevents overlapping of activities
80. In a school Accounts teacher is being asked to teach business studies also which principle of Fayol is violated ?
 a. Unity of Command b. Unity of Direction c. Division of Work d. Authority & Responsibility
81. A manager can fetch order of 50 lakhs if he is allowed to give 25 days credit instead of 18 days within his power but the management refuses to 25 days credit, which principle of Fayol is violated?
 a. Unity of Command b. Unity of Direction c. Division of Work d. Authority and Responsibility
82. In the above case the management holds manager responsible for low sales. Is the management right in doing so ?
 a. Yes as manager had authority he should have made the effort to clinch the deal
 b. No as there was no flexibility with manager
 c. Yes Manager was the authorized person and hence fully responsible
 d. No as manager was only authorised but cannot be made responsible as order depended on client.
83. A manager due to laxity on his part does not check the work given to his subordinates and as a result there is delay in completing the work, which principle of Fayol is violated?
 a. Unity of Command b. Unity of Direction c. Discipline d. Authority & Responsibility

- 109.** Which of the following are true for Equity
- | | |
|--|-------------------------------|
| a. No discrimination | b. Equal opportunities |
| c. Rules out application of force | d. both a and b. |
- 110.** Name any two management techniques developed on the basis of principles of management.
- 111.** Why did Fayol introduce the concept of 'Gang Plank' in the principle of Scalar-Chain?
- 112.** Division of work promotes
- | | | | |
|--------------------|------------------|-------------|---------------|
| (a) Specialisation | (b) Inefficiency | (c) Wastage | (d) Confusion |
|--------------------|------------------|-------------|---------------|
- 113.** Espirit De Corps emphasises on:
- | | |
|---------------------------------------|----------------------------------|
| (a) Team spirit and strength of unity | (b) Coordination and cooperation |
| (c) Control | (d) Discipline |
- 114.** The principle of order implies:
- | | |
|---------------------------|----------------------------|
| (a) One head and one plan | (b) Right man in right job |
| (c) Issuing instructions | (d) None of these |
- 115.** Henry Fayol is known as:
- | | |
|-------------------------------------|--|
| (a) Father of Scientific Management | (b) Father of Principles of Management |
| (c) Father of General Management | (d) None of these |
- 116.** Which of the following statements is FALSE about Taylor and Fayol?
- Fayols principles are applicable in specialised situations whereas Taylors principles have universal application
 - Fayols principles were formed through personal experience whereas Taylor's principles through experimentation
 - Fayol was mining engineer whereas Taylor was a mechanical engineer
 - Fayols principles are applicable at top level of management & Taylor's principles are applicable at the shop floor.
- 117.** Which principle of Fayol aims at securing the loyalty and devotion of the employees by giving them fair and just treatment ?
- 118.** The directors of XYZ limited, and organisation manufacturing computers, want to double the sales and have given the responsibility to the sales manager. The sales manager has not authority either to increase or appoint new salesman.
- Hence, he could not achieve this target. Identify the principle violated in this situation.
- 119.** A sales person is asked to finalize a deal with a customer. The Marketing Manager allows him to give a discount of up to 10% but the Finance Manager allows him to give discount of upto 25%. Which principle is violated here?
- 120.** "Workers should be encouraged to develop and carry out their plans for development." Identify the principle of management formulated by Fayol.
- 121.** A manager enhances the production target from 500 units to 700 units per month but the authority to draw material was not given by him. The production manager could not achieve the revised production target. Who is responsible and which principle was violated?
- 122.** If an organisation does not provide the right place for physical and human resources, which principles are violated? What are the consequences of it ?

CASE STUDY PROBLEMS

1. Tanya and Sharma, having same educational qualifications are working as managers in Alfa Ltd. Tanya belongs to a rural area where employment opportunities are very less whereas Sharma belongs to a urban area. Ignoring many other differences between the two management of Alfa Ltd. appointed them as assistant manager, on the same salary package of Rs.45000 per month.
 - (i) Name and briefly explain the principle of management being followed in the above case.
 - (ii) Identify the values on which Management of Alfa Ltd. emphasis by not differentiating between the two.
2. Kumaran is working in a Shoe manufacturing Co. The management asked him to work overtime so as to produce more in order to meet increase in demand in the contributed to his maximum.
 - (i) Which principle of Fayol is violated in the above case?
 - (ii) Give two positive effects of following the above principle.
 - (iii) Which values can be emphasized by following the above principle?
 - (iv) Which values are ignored in the above situation?
3. Vaibhav, an employee in Yamuna Ltd., was instructed by Mr. Vinayak (Production manager) to increase production of steel due to excess stock of steel. On the other hand, Mr. Madhav (Sales manager) directed him not to increase the steel production as there was low demand for steel in the market.

Vaibhav got confused regarding whose order to follow and hence was unable to work in a proper manner. Because of overlapping orders and instructions, Vaibhav was unable to satisfy both the bosses which led to conflict in the organization.

 - (i) Name and explain the principle not being followed.
 - (ii) Give any two advantages of following this principle.
 - (iii) Name the values that can be gained by following the above principle.
4. Khandelwal Ltd., a tyre manufacturing concern has been established for more than ten years. Having made good profits in the past, company wanted to expand futher and hence did not declare bonus for the previous year. The workers got agitated and trade union declared strike and demanded bonus and other facilities. The management decided not to give into their demands.
 - (a) Which principle of scientific management is overlooked in the given case?
 - (b) State any two values overlooked/ignored by the management in the above case.
5. Namita and Aslam completed their MBA and started working in a multinational company at the same level. Both are working hard and are happy with their employer. Aslam had the habit of backbiting and wrong reporting about his colleagues to impress his boss.

All the employees in the organisation knew about it. At the time of performance appraisal the performance of Namita was judged better than Aslam. Even then their boss, Saleem Khan decided to promote Aslma stating that being a female Namita will not be able to handle the complications of a higher post.

 - (a) Identify and explain the principle of management which was not followed by this multinational company.
 - (b) Identify the values which are being ignored quoting the lines from the above para.
6. Sanchit, after completing his entrepreneurship course from Sweden returned to India and started a coffee shop 'AromaCoffeeCan' in a famous mall in New Delhi. The speciality of the coffee shop was the special aroma of coffee and a wide variety of flavours to choose from. Somehow, the business was neither profitable nor popular.

Sanchit was keen to find out the reason. He appointed Sandhya, an MBA from a reputed college, as a Manager to find out the causes for the same.

Sandhya took feedback from the clients and found out that though they loved the special unique aroma of coffee but were not happy with the long waiting time being taken to process the order. She analysed and found out that there were many unnecessary obstructions in between which could be eliminated. She fixed a standard time for processing the order.

She also realised that there were some flavours whose demand was not enough. So, she also decided to stop the sale of such flavours.

As a result within a short period Sandhya was able to attract the customers. Identify and explain any two techniques of scientific management used by Sandhya to solve the problem.

7. 'Rahat Medicine Ltd'. has never given any importance to the suggestions of its employees. Every person holding managerial position in the company considers himself wiser than the other.

They neither help anybody nor get help from anybody. Last year, Mrs Sonali Chauhan was appointed Chief Manager of the company against a vacant post. She was an MBA from IIM Lucknow and had also five-year experience of the same post. Immediately after taking charge she decided to deal with both the problems of the company. She convened a meeting of all the employees and said, "Employees of all levels (managerial and non-managerial) are free to give their suggestions.

Besides, the one who gives the best suggestion will be awarded a prize. In addition, she advised them to discard ego and extend help in each others work. We will have to give it the shape of a movement. Those who participate in this movement will be promoted at the earliest."

This address had a positive effect on the employees. Both the problems of the company disappeared very soon. Kumari Sonali proved to be a good leader.

Identify by quoting lines, the two principles of management mentioned in the above paragraph and give their meaning.

8. "Utteranchal Fairdeal Limited" is a famous services providing company. Mr Chandan Pushkar is its Managing Director. He continuously motivates his Research and Development Department that new and latest methods of doing work be explored. Provision has also been made to give reward to those employees who will participate in a particular exploration.

He also believes that two groups working on managerial and non-managerial posts are similar to two wheels of an organisational vehicle. If this vehicle (organisation) is to be driven in a right way then both the wheels should be properly aligned.

Mr Pushkar is a successful leader. Among his employees, he has instilled the feeling that no decision will be taken without consulting the subordinates. To excel, the other companies in this field, is the main motive of Mr Pushkar. Paying attention to training is the secret of the company.

Identify by quoting the lines four principles of scientific management as mentioned in the above paragraph.

9. 'F' limited was engaged in the business of food processing and selling its products under a popular brand. Lately the business was expanding due to good quality and reasonable prices. Also with more people working the market for processed food was increasing.

New players were also coming to cash in on the new trend. In order to keep its market share in the short run the company directed its existing workforce to work overtime.

But this resulted in many problems. Due to increased pressure of work the efficiency of the workers declined. Sometimes the subordinates had to work for more than one superior resulting in declining efficiency. The divisions that were previously working on one product were also made to work on two or more products. This resulted in a lot of overlapping and wastage.

The workers were becoming undisciplined. The spirit of teamwork, which had characterised the company, previously was beginning to wane. Workers were feeling cheated and initiative was declining.

The quality of the products was beginning to decline and market share was on the verge of decrease.

Actually the company had implemented changes without creating the required infrastructure.

1. Identify the Principles of Management (out of 14 given by Henry Fayol) that were being violated by the company.

2. Explain these principles in brief.

3. What steps should the company management take in relation to the above principles to restore the company to its past glory?

CHAPTER-2 PRINCIPLES OF MANAGEMENT QUESTIONS–ANSWERS

A. TRUE AND FALSE

True: 2, 3, 5, 6, 10, 12, 13, 14, 16, 17, 18; **False:** 1, 4, 7, 8, 9, 11, 15

B. FILL IN THE BLANKS

1. Guidelines, 2. Cause, Effect, 3. Scientific, 4. F.W. Taylor, 5. Division of work, 6. Command, 7. Gang Plank, 8. Unity of Command, 9. Esprit de Corps, 10. Different, 11. Unity of Direction, 12. Equity, 13. Universal Application, 14. Stability of Personnel.

1. Principles of management are not:

- a. Absolute b. Flexible c. Universal d. Behavioural

Ans. a

2. How are principles of management formed?

- a. By experiences of customers b. By propagation of social scientists
c. In a laboratory d. By experiences of managers

Ans. d

3. The principles of management are significant because of:

- a. Adaptation to changing technology b. Increase in efficiency
c. Initiative and Optimum utilisation of resources d. All of these

Ans. d

4. Principles of management cannot be _____

- a. Applied Everywhere b. Tested in Laboratories c. Defined d. Part of business

Ans. b

5. Which of the following can be tested in the laboratories?

- a. Principles of pure science b. Principles of Pure Art
c. Principles of management d. None of these

Ans. a

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

Ans. Principles are guidelines to take decisions or actions while practicing techniques. Likewise, principles should also be understood as being distinct from values. Principles are basic truths or guidelines for behaviour.

7. What is meant by 'Techniques'?

Ans. Techniques are procedures or methods, which involve a series of steps to be taken to accomplish desired goals.

8. What is meant by values ?

Ans. Values are something, which are acceptable or desirable. They have moral connotations. Values are general rules for behaviour of individuals in society formed through common practice whereas principles of management are formed after research in work situations, which are technical in nature.

9. Give any one difference between principle and technique.

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

10. Give one reason why principles of management do not provide readymade solution to all managerial decisions.

Ans. The principles are guidelines to action but do not provide readymade, straitjacket solutions to all managerial problems. This is so because real business situations are very complex and dynamic and are a result of many factors.

11. Do you agree that management principles are rigid? Why?

Ans. (iv) Flexible: The principles of management are not rigid prescriptions, which have to be followed absolutely. They are flexible and can be modified by the manager when the situation so demands.

12. How have the management principles been derived?

Ans. Through observation and experimentation or experience and collective wisdom of managers.

13. Principles are formed by hit and trial method. Do you agree?

Ans.

14. 'The management principles can be applied to all types of activities'. Which characteristic of management is highlighted by this statement?

Ans. Management is all pervasive / universal.

15. 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.

16. The degree of concentration of authority (Centralisation) or its dispersal (Decentralisation) will depend upon the situations and circumstances of each enterprise. Which characteristic of management is highlighted by this statement?

Ans. Flexibility.

17. "Management principles are relative, not absolute." Explain.

Ans. Management principles are not absolute. These cannot be applied blindly in all situations and in all organizations.

They have to be applied keeping in view the prevailing situations.

These require room for modification as same principle

18. Give one reason why principles of management are called contingent.

Ans. The application of principles of management is contingent or dependent upon the prevailing situation at a particular point of time. The application of principles has to be changed as per requirements

19. Why is it said that principles of management are not purely perfect?

Ans. The principles of management are less than perfect since they mainly apply to human behaviour. In real life, situations are not identical. So, accurate cause and effect relationships may be difficult to establish.

20. Management principles are universally applicable. Do you agree?

Ans. The principles of management are intended to apply to all types of organisations, business as well as non-business, small as well large, public sector as well as private sector, manufacturing as well as the services sectors. However, the extent of their applicability would vary with the nature of the organisation, business activity, scale of operations and the like.

21. Explain how Principles of Management:

(i) provide useful insights into reality and (ii) help in thoughtful decision making.

Ans. (i) Principles of management provide useful insights into reality by enabling the managers to learn from past mistakes and conserve time by solving recurring problems quickly.

(ii) Principles of management help in thoughtful decision making because the decisions based on principles are free from bias and are based on the objective assessment of the situation.

22. Explain how principles of management:

(i) help the managers in taking scientific decisions, and (ii) provide the managers with useful insights into real world situation.

Ans. (i) Principles of management help in taking scientific decisions because the decisions based on principles are free from bias and are based on the objective assessment of the situation.

(ii) Principles of management provide useful insights into reality by enabling the managers to learn from past mistakes and conserve time by solving recurring problems quickly.

23. The father of Scientific Management is:
 (a) Charles Babbage (b) Henri Fayol (c) F.W. Taylor (d) Peter Drucker
Ans. c
24. How many functional specialists were suggested by Taylor?
 (a) Six (b) Four (c) Eight (d) Seven
Ans. c
25. Taylor focussed his attention on:
 (a) Shop Floor (b) Top Level (c) Middle Level (d) All the levels
Ans. a
26. Scientific Management:
 (a) Adopts trial and error method (b) Eliminates rule of thumb approach
 (c) Stress on Forecasting (d) All the above
Ans. b
27. The main aim of Taylor was to:
 (a) Improve labour relations (b) improve Productivity
 (c) Fight for workers' rights (d) Attempt managements theory
Ans. b
28. She/he keeps machines, materials, tools etc., ready for operations by concerned workers?. Whose work is described? by this sentence under functional foremanship
 a. Repair Boss b. Gang Boss c. Route Clerk d. Instruction Card Clerk
Ans. b
29. Which of the following is NOT a Principle of management given by Taylor?
 a. Functional foremanship b. Harmony not discord
 c. Maximum not restricted output d. Science, not rule of the Thumb
Ans. c
30. Management should find? One best way? to perform a task. Which technique of scientific management is defined in this sentence?
 a. Fatigue Study b. Motion Study c. Time Study d. Method Study
Ans. d
31. Harmony, Not Discord principle is concerned with _____
 a. Management should share the gains of company with workers b. Scientific inquiry
 c. Observation and Analysis d. Investigation of Task
Ans. a
32. Functional foremanship is based on the _____
 a. Remuneration System only b. Union is strength
 c. Principle of division of work d. Marketing
Ans. c
33. Who is responsible for keeping machine and tools ready for operation?
 a. Inspectors b. Gang Boss c. Speed Boss d. Repairs Boss
Ans. b
34. Basic aim of Functional Foremanship is _____
 a. Not to provide free time to workers b. Not to divide the work
 c. To separate planning functions from executive functions
 d. To separate Top level management from Chief Executive Officer
Ans. c

35. Repair boss ensures that
- Each worker keeps his machine in good order
 - Machines run at their best speeds and proper tools are used by the workers
 - Workers perform with the best of their ability
 - All information regarding pay of the workers is send

Ans. b

36. Route Clerk
- Prepares detailed instructions regarding different aspects of work such as machines and tools
 - Lays down the sequence of operations and instructs the workers
 - Deals with cases of breach of discipline and absenteeism
 - Guides the workers to perform with best of their ability

Ans. b

37. Inspector
- Prepares detailed instructions regarding different aspects of work such as machines and tools
 - Checks quality of goods
 - Deals with cases of breach of discipline and absenteeism
 - Guides the workers to perform with best of their ability

Ans. b

38. Identify the technique or principle of scientific management in the following cases:

- Wages are given to workers on the basis of performance.
- Finding one best way of doing a job.
- It violates the principle of Unity of command.
- It determines the rest intervals needed in completing a task.
- It helps to identify unnecessary movements in doing a job.
- It introduces uniformity in materials, machines, tools and methods of work.
- It facilities determination of standard time needed to perform a job.
- Many specialists supervise each worker.
- It aims to eliminate unnecessary diversity of product.
- Technique of wage payment recommended by Taylor.

Ans. (i) Differential Piece Wage System; (ii) Method Study; (iii) Functional Foremanship; (iv) Fatigue Study; (v) Motion Study; (vi) Standardisation of work; (vii) Time Study; (viii) Functional Foremanship; (ix) Simplification of Work; (x) Differential Piece Wage System.

39. Identify the techniques of scientific management, which are described by the statements given below.
- When many specialists supervise each worker.
 - When uniformity is introduced in materials, machines, tools, methods of work and working conditions after due research.
 - To determine standard time taken to perform a well-defined job.
 - Giving variable wages to workers based on their performance.
 - Change in the attitude of workers and management towards one another from competition to cooperation.
 - To find out best way to do the job.

Ans. Functional Foremanship

40. What is meant by Scientific Management?

Ans. Scientific Management means knowing exactly what you want men to do and seeing that they do it in the best and cheapest way.

41. Who gave the concept of scientific management? What was his profession?

- Ans.** F.W. Taylor. He was mechanical engineer.
- 42.** Who is regarded as the father of scientific management?
- Ans.** F.W. Taylor.
- 43.** Which principle of scientific management suggests the introduction of scientific investigation and analysis of management practice?
- Ans.** Science not rule of thumb.
- 44.** Which principle of scientific management states that work must be carried on in cooperation with each other?
- Ans.** Co-operation not individualism.
- 45.** 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.
- 46.** Principle of cooperation, not individualism, is an extension of which principle given by Fayol?
- Ans.** Principle of Harmony, not discord.
- 47.** What is required to ensure harmony among workers and managers?
- Ans.** Both should realise that each one is important. To achieve this state, Taylor called for complete mental revolution on the part of both management and workers.
- 48.** Give any two ways to ensure cooperation between managers and workers.
- Ans.** For this, management should not close its ears to any constructive suggestions made by the employees. They should be rewarded for their suggestions which results in substantial reduction in costs. They should be part of management and, if any important decisions are taken, workers should be taken into confidence.
- 49.** Give the meaning of 'Mental Revolution' as suggested by F.W. Taylor.
- Ans.** Taylor called for complete mental revolution on the part of both management and workers. It means that management and workers should transform their thinking. In such a situation even trade unions will not think of going on strike etc.
- 50.** Why did Taylor insist on having specialized foreman?
- Ans.** Taylor identified a list of qualities of a good foreman/supervisor and found that no single person could fit them all. This prompted him to suggest functional foremanship through eight persons.
- 51.** "He/She drafts instructions for the worker". Whose work is being described by this sentence under Functional Foremanship?
- Ans.** Instruction Card Clerk
- 52.** Which technique of Taylor suggests that each worker should be supervised by specialists? Give the designations of any four specialists suggested by him.
- Ans.** The technique of functional foremanship suggests that each worker should be supervised by specialists. These specialists' designations are follows :
- i. Instruction Card Clerk ii. Route Clerk iii. Time and Cost Clerk iv. Disciplinarian
- 53.** What is the main objective of simplification in scientific management?
- Ans.** The main objective of simplification to eliminate unnecessary diversity of products.
- 54.** What do you mean by the term simplification?
- Ans.** It means eliminating needless diversity of products.
- 55.** Explain the technique 'simplification of task'. Explain any two purposes served by the technique 'simplification to task'.
- Ans.** * Simplification refers to the elimination of unwanted varieties, sizes, products and dimensions.
* In other words, simplification means optimum utilization of resources viz. men, machine and material through uninterrupted runs and fewer setups.

* It aims at discarding unnecessary diversity of the products.

* It helps to achieve savings in cost of labour, machinery and tools.

Large share of Microsoft in the market is an evidence of 'simplification' in its organization.

It serves the following purposes :

i. It reduces the cost of production.

ii. It helps in optimum utilization of equipments and resources.

56. What do you mean by standardization of work?

Ans. * Standardization is a process of setting standards or benchmarks for each and every actively of the organisation.

* It uses standard equipments, methods and processes in order to maximize the output keeping in mind the quality standards.

* It helps in establishing the norms for sizes, types, quality, weight etc.

For example, COLGATE has been following this principle and perhaps that may be the major reason for its continuance as market leader for decades inspite of cut-throat competition.

57. Name and explain the technique of scientific management, which helps in establishing interchangeability of manufactured parts and products.

Ans. Standardisation.

58. Which technique of scientific management helps in making economical use of machines and tools? Identify and discuss it briefly.

Ans. Simplification.

59. 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.

60. State the objective of motion study.

Ans. The objective of motion study is to eliminate unnecessary and wasteful motions so that it takes less time to complete the job efficiently.

61. What are the techniques used for doing Method study?

Ans. Process charts and operations research.

62. Which technique of Taylor is the extension of the principle of 'division of work' and 'specialisation'?

Ans. Functional foremanship.

63. Which technique involves a change in the attitude of workers and management towards one another from competition to cooperation?

Ans. Mental revolution.

64. What is the main objective of a. motion study b. fatigue study c. method study

Ans. a. To eliminate unnecessary movements.

b. Fatigue study seeks to determine the amount and frequency of rest intervals in completing a task.

c. The objective of method study is to find out one best way of doing the job.

65. Which technique of Taylor differentiates between efficient and inefficient worker?

Ans. Piece wage system.

66. Which technique of Taylor violates Fayol's unity of command ? Which techniques of Taylor is in accordance with Fayol's principle of Initiative and Esprit De Corps?

Ans. Functional foremanship violates Fayol's unity of command. Cooperation, not individualism is in accordance with Fayol's principle of Initiative and Esprit De Corps.

67. Which technique of Taylor acts as the strongest motivator for a worker to reach standard performance?

Ans. Piece wage system.

68. Identify the principle of management in the following cases:

- (i) Employee is given responsibility to achieve target production, but no authority is given for access to raw materials.
- (ii) There should be one and only one boss for every individual employee.
- (iii) Each group of activities having same objectives must have one head and one plan.
- (iv) Manager should replace "I" with 'We' in all his conversations with workers.
- (v) An organisation must provide right place for resources.
- (vi) Employees should be treated with justice and kindness.
- (vii) Employees should not be moved from their positions frequently.
- (viii) Management should promote a team spirit of unity and harmony among employees.
- (ix) One head for one plan.
- (x) Company should honor the commitments, it has made to its employees.
- (xi) Ramesh's objective is sacrificed to achieve the organisational objective.
- (xii) Some part of profits be given to employees as bonus on reasonable basis.
- (xiii) A subordinate should not contact higher authorities by passing his immediate superior.
- (xiv) Workers performing similar jobs should be paid similar wages.
- (xv) Workers should be encouraged to develop and carry out their plans for development.
- (xvi) Violation of this principle leads to increase in cost of recruitment, selection and training.

Ans. (i) Authority and responsibility; (ii) Unity of command; (iii) Unity of direction; (iv) Espirit de Corps; (v) Order; (vi) Equity; (vii) Stability of Personnel; (viii) Espirit de Corps; (ix) Unity of Direction; (x) Discipline; (xi) Subordination of individual interest to general interest; (xii) Remuneration of Employees; (xiii) Scalar Chain; (xiv) Equity; (xv) Initiative; (xvi) Stability of Personnel.

69. In each of the following cases which principle of management as given by Henri Fayol is being violated?

- (a) When no division of the company has a separate plan of action.
- (b) When a sales manager is not given the right to discount to the buyer necessary to conclude a large sales contract, which will be profitable for the company.
- (c) When a subordinate receives order from two superiors.
- (d) When a manager awards contract for supply of raw material to a particular party, which happens to be owned by his relative ignoring other parties, who can supply the same at a cheaper rate.
- (e) When a suborning habitually contacts higher authorities in the company by passing his/her immediate superior.
- (f) When the tools and /or raw materials are not found at the right place in the factory.
- (g) When the employee is given responsibility to achieve target production of 500 units with no authority to access over raw materials.
- (h) When the manager grants one month medical leave to a supervisor with pay and only one week medical leave to accountant.

Ans. a. Division of work
 b. Authority and Responsibility.
 c. Unity of Command.
 d. Subordination of personal interest to general interest.
 e. Scalar Chain
 f. Order
 g. Authority and Responsibility.
 h. Equity.

70. Division of work does not help

- a. Dividing work into small task
- b. Specialisation.

c. Producing more with less effort

d. Honouring commitment

Ans. d

71. Which statement is false about Discipline ?

a. obedience to organisational rules

b. Judicious application of penalties.

c. honouring commitments without any prejudice

d. Minimises use of penalties.

Ans. d

72. Which statement is false about division of work small task

a. Applies to all kinds of work

b. Applies to all types of organisation

c. helps in increasing efficiency

d. none of these

Ans. d

73. Which statement is false about Authority ?

a. right to give orders and obtain obedience

b. of two types official and personal

c. only formal and not informal.

d. to carry out responsibility

Ans. c

74. A manager asks his workers to work extra for completing the work and promises his workers extra payment for the same but later on he refuses to pay. Which principle of Fayol is violated ?

a. Unity of Command

b. Unity of Direction

c. Equity

d. Discipline

Ans. d

75. A manager asks his workers to work extra for completing the work and later on workers ask for extra payment for the same but he refuses to pay. Which principle of Fayol is violated ?

a. Initiative

b. Remuneration

c. Equity

d. Discipline

Ans. b

76. Division of work can be applied to

a. Schools

b. Hospitals

c. Business Organisations

d. All of the above

Ans. d

77. Which statement is true about Authority and Responsibility?

a. Responsibility is the corollary of authority.

b. There has to be proper balance between authority & responsibility.

c. Both 1 and 2

d. Only 2 but not 1

Ans. c

78. A hospital has divided various activities according to their nature and formed dental, orthopaedic, ENT department following one plant one head. Which principle of Fayol has been applied?

a. Unity of Command

b. Unity of Direction

c. Division of Work

d. Authority and Responsibility

Ans. c

79. Which statement is false about Unity of command?

a. One and only one boss for every individual

b. Receive order and reporting to only boss.

c. Affects discipline, order and stability

d. Prevents overlapping of activities

Ans. d

80. In a school Accounts teacher is being asked to teach business studies also which principle of Fayol is violated ?

a. Unity of Command

b. Unity of Direction

c. Division of Work

d. Authority & Responsibility

Ans. c

81. A manager can fetch order of 50 lakhs if he is allowed to give 25 days credit instead of 18 days within his

power but the management refuses to 25 days credit, which principle of fayol is violated?

- a. Unity of Command b. Unity of Direction c. Division of Work d. Authority and Responsibility

Ans. d

82. In the above case the management holds manger responsible for low sales. Is the management right in doing so ?

- a. Yes as manager had authority he should have made the effort to clinch the deal
b. No as there was no flexibility with manager
c. Yes Manager was the authorized person and hence fully responsible
d. No as manger was only authorised but cannot be made responsible as order depended on client.

Ans. b

83. A manager due to laxity on his part does not check the work given to his subordinates and as a result there is delay in completing the work, which principle of fayol is violated?

- a. Unity of Command b. Unity of Direction c. Discipline d. Authority & Responsibility

Ans. d

84. Which of the following violates principle of Unity of Command ?

- a. An Employee having one boss b. An Employee reporting to one boss
c. An Employee getting orders from two superiors d. both 2 and 3

Ans. d

85. Unity of direction does not ensure

- a. Group of activities having same objectives have one head and one plan.
b. Unity of action and coordination. c. Prevents overlapping of activities
d. Prevents dual subordination.

Ans. d

86. In all situations the interest of the group should supersede interest of individual. Identify the principle of Fayol

- a. Stability of personnel b. Espirit De corps c. Equity d. None of these

Ans. d

87. Asha and Ram both have MBA from same institute and experience. Asha is appointed as Assitant Manager where as Ram is appointed as Manager. Is any principle of Fayol is violated?

- a. Subordination of Personal Interest To general Interest
b. Remuneration c. Equity d. No principle is violated

Ans. c

88. Remuneration of employees ensures

- a. Congenial atmosphere b. Smooth working
c. Good relation b/w management and Workers d. All of the above

Ans. d

89. Which statement is false about Unity of direction

- a. Affects an individual employee b. Affects the entire organisation
c. Prevents overlapping of activities d. none of the above

Ans. d

90. Which statement is false about remuneration of employees

- a. Fair policy of Pay and compensation b. Employee turnover should be minimised
c. within paying capacity d. just and equitable.

Ans. b

- (a) Specialisation (b) Inefficiency (c) Wastage (d) Confusion

Ans. a

113. Espirit De Corps emphasises on:

- (a) Team spirit and strength of unity (b) Coordination and cooperation
(c) Control (d) Discipline

Ans. a

114. The principle of order implies:

- (a) One head and one plan (b) Right man in right job
(c) Issuing instructions (d) Justice and kindness.

Ans. b

115. Henry Fayol is known as:

- (a) Father of Scientific Management (b) Father of Principles of Management
(c) Father of General Management (d) None of these

Ans. a

116. Which of the following statements is FALSE about Taylor and Fayol?

- a.** Fayols principles are applicable in specialised situations whereas Taylors principles have universal application
b. Fayols principles were formed through personal experience whereas Taylor's principles through experimentation
c. Fayol was mining engineer whereas Taylor was a mechanical engineer
d. Fayols principles are applicable at top level of management & Taylor's principles are applicable at the shop floor.

Ans. a. False

117. Which principle of Fayol aims at securing the loyalty and devotion of the employees by giving them fair and just treatment?

Ans. Equity.

118. The directors of XYZ limited, and organisation manufacturing computers, want to double the sales and have given the responsibility to the sales manager. The sales manager has not authority either to increase or appoint new salesman. Hence, he could not achieve this target. Identify the principle violated in this situation.

Ans. Authority and responsibility.

119. A sales person is asked to finalize a deal with a customer. The Marketing Manager allows him to give a discount of up to 10% but the Finance Manager allows him to give discount of upto 25%. Which principle is violated here?

Ans. Unity of command.

120. "Workers should be encouraged to develop and carry out their plans for development." Identify the principle of management formulated by Fayol.

Ans. Initiative.

121. A manager enhances the production target from 500 units to 700 units per month but the authority to draw material was not given by him. The production manager could not achieve the revised production target. Who is responsible and which principle was violated?

Ans. Manager.

122. If an organisation does not provide the right place for physical and human resources, which principles are violated? What are the consequences of it ?

Ans. Order.

123. Distinguish between 'Unity of Command' and 'Unity of Direction' principles management on the basis of

'Aim'.

Ans. 'Unity of Command' prevents dual subordination while 'Unity of Direction' events overlapping of activities.

124. Give any one effect of principle of equity.

Ans. Job satisfaction among employees.

125. Give any one effect of principle of stability of tenure.

Ans. Increased loyalty among employees.

126. The production manager of Bharat Ltd instructs a salesman to go slow in selling the products whereas the marketing manager is insetting on fast selling to achieve the target. Which principle of management is being violated in this case? State any three consequences of violating this principle.

Ans. Unity of command.

127. Flowers Group Ltd. is not functioning smoothly. The employees are work shirkers, and do not honour their commitments towards organisation. They are not working effectively and efficiently to produce maximum output. On the other hand, superiors are also not fair and clear about rules and regulations. Basically, behaviour of workers is due to the fault of management which is showing ignorant behaviour towards workers and also not fulfilling their promises of better environment, promotions, wage revisions in time etc.

i. Which principle of Fayol is not being applied in Flowers Group Ltd? (Application Based)

OR

Which principle is being violated?

ii. What does it state?

Ans.

128. Mohan Ltd. is producing different lines of products viz. cosmetics, medicines, confectionary items etc. All activities of the company viz. purchase, production, sale, accounting etc. share common Purchase, Production, Sales, and Accounts Departments. As result, there is chaos and ineffective working of the organisation. No department is able to set specific targets related to each type of product and is unable to give justice and full concentration to each product line. Moreover, employees remain confused regarding provision of their focus and attention to a particular product line.

i. Which principle of Fayol is being violated here?

ii. State the principle

Ans.

129. Mr. Kuldeep, the Marketing Manager of Felco Ltd., designed a plan for the sale of its new products. He had not consulted his subordinates and chalked out the plan on his own. He never welcomed the suggestions and ideas of other employees. Hence, the employees did not contribute whole heartedly in the execution of the plan.

i. Which principle of Fayol is violated here?

ii. What does it state?

CASE STUDY : PROBLEM – 1 :

'F' limited was engaged in the business of food processing and selling its products under a popular brand. Lately the business was expanding due to good quality and reasonable prices. Also with more people working the market for processed food was increasing.

New players were also coming to cash in on the new trend. In order to keep its market share in the short run the company directed its existing workforce to work overtime.

But this resulted in many problems. Due to increased pressure of work the efficiency of the workers declined. Sometimes the subordinates had to work for more than one superior resulting in declining efficiency. The divisions that were previously working on one product were also made to work on two or more products. This resulted in a lot of overlapping and wastage. The workers were becoming undisciplined. The spirit of teamwork, which had characterised the company, previously was beginning to wane. Workers were feeling cheated and initiative was declining. The quality of the products was beginning to decline and market share was on the verge of decrease.

Actually the company had implemented changes without creating the required infrastructure.

1. Identify the Principles of Management (out of 14 given by Henry Fayol) that were being violated by the company.

2. Explain these principles in brief.

3. What steps should the company management take in relation to the above principles to restore the company to its past glory?

Ans.

130. Give any one main difference between Fayol's and Taylor's contribution?

Ans.

131. Principles of Taylor and Fayol are mutually complementary. One believed that the management should share the gains with the workers, while the other suggested that employees compensation should depend on the earning capacity of the company and should give them a reasonable standard living.

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

Ans. (i) "Management should share the gains with the workers" – the principle of Harmony, not Discrod. Taylor emphasised that there should be complete harmony between the management and workers. Both should realise that each one is important. To achieve this, Taylor advocated a complete 'Mental Revolution' on the part of both management and workers. It means that management and workers should transform their thinking. In such a situation even trade unions will not think of going on strikes, etc.

(ii) "Employees' compensation should depend on the earning capacity of the company and should give them a reasonable standard of living." – the principle of Remuneration of Employees. Remuneration of employees should be just and equitable so as to give maximum satisfaction to both the employees and the organisation. The employees should be paid fair wages/salaries, which would give them at least a reasonable standard of living. At the ame time. it should be within the pating capacity of the company. This will ensure good relations between workers and management. Consequently, the working of the company would be smooth.

132. 'Discipline is double-edged tool' Comment.

Ans. * Discipline is a double-edged tool. It is expected to strike a balance between enforcing the discipline on one hand and motivating employees on the other.

* Personal entrusted with enforcing it are expected to be competent and capable of achieving this balance.

* Employees must honor the commitments may be them and management must meet its promises to increase wages, declaration of bonus etc.

* To achieve proper discipline, skilled superiors at all levels, clear and fair agreements and judicious application of penalties etc. are required.

133. An organization follows the principles of management. What are the adverse effects of each of the following principles of management on the organization?

(i) Unity of Command (ii) Order (iii) Stability of tenure of personnel

Ans. Adverse effects of said principles are :

i. Unity of Command : If this principle is followed, work gets delayed which results in wastage of time and cost.

ii. Order : It creates boredom among the employees due to rigidity provided by this principle.

iii. Stability of personnel : If employees are not rotated on different jobs frequently, they can specialize only in a small part of the whole process of production and thus can never become versatile.

134. Which principle does functional foremanship violate?

Ans. Unity of Command.

CASE STUDY PROBLEMS–ANSWERS

1. (i) By the line Ignoring many other differences between the 2 Management of Alfa Ltd. appointed them as assistant Manager, on the same salary.
The Principle of management being followed is equity.
(ii) (a) No discrimination on any basis. (b) Providing equal opportunities to all.
2. (i) Remuneration of employees
(ii) a) ensure healthy atmosphere & good relations between the employees and the management.
b) Smooth functioning of the organisation.
(iii) a) Motivation b) Respect towards employees.
iv) a) Respect for employees b) Motivation c) Responsibility and sincerity of the employee
d) Initiative e) Co operation
3. (i) Unity of command
(ii) a) preventing overlapping of activities. b) promotes coordination.
(iii) a) Avoidance of conflicts. b) Maintain harmony between supervisors & employees.
4. a) Harmony, not Discord b) Values overlooked are:
(i) Mutual understanding (ii) Empathy (iii) Peace & Stability (iv) Law and Order (v) Sense of belongingness
5. a) The Principle violated is “Equity”.
b) The values which are being ignored are :
(i) Good Human behaviour because ‘Salman had the habit of backbiting and wrong reporting about his colleagues to impress his boss’.
(ii) Gender Biasness as ‘Their boss decided to promote Salman stating that being a female, Namita will not be able to handle the complications of a higher post’.
6. i) **Standardisation and simplification of Work** : Standardisation of work implies setting up standards or benchmarks for any work or activity. It refers to a process wherein standards are set for any production activity. The standard is then used as a benchmark for evaluating the tasks done.
In simplification, unnecessary elements in production or design, size etc. which add to the cost are eliminated. This technique aims at full and efficient utilisation of resources, through reducing inventories and unnecessary elements and increasing the turnover.
ii) **Time Study** : According to this technique, there must be a standard time limit for the completion of a task. with regard to the time taken in completing a task, a standard limit is set which helps in deciding the number of employees required in completing a task.
7. i), “Employees of all levels (managerial and non-managerial) are free to give their suggestions. Besides, the one who gives the best suggestion will be awarded a prize.”
Principle of initiative: According to this principle, “employees in the organisation must be given an opportunity in making and executing plan.”
ii) “In addition, she advised each others work.”
Espirit De Corps: As per this principle, a manager should constantly make efforts to develop a team spirit among the subordinates.
8. i) “He continuously motivates his Research and Development department that new and latest methods of doing work must be explored.”
Science, not Rule of Thumb.
ii) “If this vehicle (organisation) is to be driven in a right way then both the wheels should be properly aligned.”
Harmony, not discord.
iii) “Among his employees he has instilled the feeling that no decision will be taken without consulting the subordinates.”
Cooperation and not Individualism.
iv) Paying attention to training is the secret of the company.
Development of each and every person to his/her greatest efficiency and prosperity.