

**BITS PILANI, DUBAI CAMPUS**  
International Academic City, DUBAI  
2<sup>nd</sup> year – 1<sup>st</sup> Semester 2012-13  
Course – MGTS F211 – Principles of Management

Component	Comprehensive	Date	29.12.2012
Maximum Marks	80	Duration	3 hrs

**Note: Please write Section A and Section B in separate answer scripts. Question paper consists of 2 pages.**

**Section – A**

**1. Read the case shown below and answer the questions that follow [13]**

Being cited on fortune magazine's annual list of '100 Best Companies to Work for' is quite an honor – but only a very special firm can place itself among the top three for five consecutive years. That company is The Container Store- a 30-store Dallas-based chain- selling storage products to help customers organize homes and offices. In an industry where the employee turnover rate is very high, The Container Store stands out for the stability and commitment of its workforce. Its employee retention rate is highest in the retail sector.

Retailers usually say that the key to a store's success is 'location'. Location is certainly important, but The Container Store's main claim to fame is personalized customer service with a smile. Its store personnel are always ready, willing and able to help customers select the right components to solve any storage problem. Money may be part of the reason; on average, salaries at The Container Store are 50 to 100 percent higher than salaries at most other retail establishments, and the benefits are more generous as well. "People wonder how we can afford to do that," explains CEO and co-founder Kip Tindell, "but we respond that in a service-oriented business, how can you afford not to?" Chairman and co-founder Garrett Boone believes that his store employees work for more than the money. You have to work for a common cause," he says. Tindell goes even further saying, "We think the employer has a huge moral obligation to make employees want to get out of bed and come to work in the morning." How does The Container Store do this?

Tindell points to his company's focus on "the basic people side of our business, educating and empowering employees, giving them the tools they need to service our customers to the fullest". With internally designed intensive training programme each new recruit (both full time & part time) are made completely ready to take up the challenging work ahead. Kevin Fuller, director of training and recruiting, remembers feeling proud, respected and confident after undergoing this intensive training; "it makes you do a better job and give back 110 percent to the company," he notes. Tindell is very much focused on taking care of the lower order needs of the employees to have a motivating workforce. "If we do not furnish employees with an opportunity to satisfy their human needs while working, low morale within the company will eventually develop".

Communication is another key factor. "The way to retain employees to make them care is to communicate everything to them," CEO Tindell says. "There are risks", he acknowledges, "but we decided a long time ago that the advantages of communicating information that empowers our employees and strengthens their development and loyalty far outweighs the disadvantages of that information falling in the hands of competitors". Finally the container store believes in saying "thank you" for a job well done. After closing time, store employees gather and recognize the efforts of those who made a special effort that day. Some of these stories make their way to the celebration mailbox, a voice mail system where employees and managers can record compliments to be heard by anyone in the company. For their tenth anniversary, employees and their spouses receive a trip to Dallas and are feted by the co-founders at dinner in their honor. Working at the container store is not just about making a living, Boone says. "The people here give an effort that goes far beyond the economic rewards, because they love it here".

- a. Identify the various intrinsic and extrinsic factors (as per Herzberg's Theory) in this case. [8]
- b. What do you understand by empowerment? [2] Explain from the case how empowerment has contributed to the credibility of the company? [3]

**2. Identify the communication flow present in the following sentences: [1.5x4=6]**

- a. The plant supervisor sends a list of workers who have done overtime in his plant to the Finance manager upon his request.
- b. The sales representative submitting a detail report to the marketing manager detailing the consumer trends, competitor's products etc.

- c. The General Manager of the firm sending a circular to all the departmental heads about company's plans to enter into a joint venture with another MNC.
- d. The production manager is having a meeting with the purchase manager and the marketing manager to find out possible product innovations.

**3. Mention the appropriate management term that explains best the following: [1.5x10=15]**

- a. One of the selection tests that measures the physical ability of the worker in handling machines.
- b. The training method that conforms to the "learning by doing" philosophy.
- c. A type of training where one unskilled person is attached to a skilled person to acquire skills from him.
- d. An appraisal method in which each employee is compared with every other employee in terms of performance.
- e. The only one selection device that can be sufficient for selecting a candidate.
- f. The managerial function where we group the tasks similar in nature as a job.
- g. Contributing to the Prime Minister's Relief fund for the earthquake victims.
- h. One way communication between leader and followers.
- i. A feeling of lackness for something.
- j. A managerial skill very much required by the middle level managers

**Section – B**

**4. Explain the meaning of the following with examples and differentiate between them [20]**

- 1. Stakeholder and Stockholder [5]
- 2. Effectiveness and Efficiency [5]
- 3. Leader and Manager [5]
- 4. Marketing & Selling [5]

**5. Comment on the following [5x3=15]**

- a. Recruitment is a positive process
- b. Planning is to look ahead, controlling is to look back
- c. People hear what they want to hear

**6. Match the following: [11]**

1. Conforming to the governmental rules and regulations regarding health and safety of the workers	a. Theory X
2. Differential piece rate system	b. Remuneration
3. A plan that guides our decision making	c. systems Approach
4. Managing as per rules and regulations	d. Procedure
5. Selection device must measure what it intends to measure	e. Bureaucracy
6. An organization where the specialist employees can work from their homes	f. Reliability
7. Not filling up a vacancy created by voluntary resignation and/or superannuation	g. Policy
8. Equal pay for equal work	h. scientific management
9. An average employee shuns responsibility, lacks ambition but wants security	i. Validity
10. A plan that gives a chronological sequence of events	j. social obligation
11. A kind of power through which you are able to influence the behavior of your subordinates	k. Boundary less/ Virtual structure/ organisation
	l. Lay off
	m. Theory Y
	n. attrition
	o. Social responsibility
	p. Equity
	q. Authority
	r. Methods

**BITS PILANI, DUBAI CAMPUS**

International Academic City, DUBAI

2<sup>nd</sup> Year – Semester I – 2012-13

Course – MGTS F211 – Principles of Management

Component	TEST – 2 (Open Book)	Date	22.11.2012
Maximum Marks	40 {weight 20%}	Duration	50 minutes

**Answer all Questions**

1. Pella is a Multinational Conglomerate with a diversified group of industries which is headed by the President Mr. William Frederick. The European division (headed by Vice President Mr. Adam Murphy), known as Global Financing Corporation has three distinct sub-divisions – Personal Banking, Loans & Advances and Mutual Funds. Mr. John Smith, General Manager of Personal Banking is assisted by Managers who take care of services such as wealth management, savings, inheritance, and tax planning for their clients. Mr. Oliver Ryan GM of Loans & Advances has appointed Mr Rakesh Khanna, Mr Neil Morgan and Mr. Robert Shaw as Managers to handle Housing Loan, Educational Loan and Agricultural Loans. While concentrating on growth stock and equity income stocks, Mr. Henderson, GM of Mutual Funds also plans to market selected specialty stocks and tax saving bonds and has entrusted the task to his Managers, Ms. Lisa Sanders and Mr. Charles Green.

Pella Iron & Steel manufacturing company, headed by Vice President Mr. Rowley Harington, has been set up in SE Asia that has Production, Marketing and Finance divisions headed by Senior Managers Mr. Sun Chang, Mr. David Fernandez, and Mr. Vikas Gupta respectively. The production division has three sections in the shop floor – Punch pressing, Fabrication and Blast Furnace. The Superintendants in charge of each of each section, Mr. L. Elias, B. Arthur and S. Fisher have undergone extensive training in their respective disciplines and are in charge of the workers under them. The Senior Manager of Marketing has a Marketing Analyst and Business Manger to assist him in achieving his goals. An Internal Auditor for periodic auditing of accounts and a Financial Analyst support Mr. Gupta in his department.

The North American division, headed by Vice President Mr. Edmund Stewart, is into distribution of Consumer Durables and Textiles. Mr. Suresh Sethi, General Manager of Consumer Durables Unit had initially started with automobiles, but has today expanded into consumer electronics and sports equipment. All these sections are handled by its respective managers; Mr. Manoj Joseph, Mr. Chris Wright and Mr. George White. The Textiles Unit has two sections – Worsted Suiting & Readymade Garments. The GM Mr. Mohammed Mudassar, has delegated the task of employee management and customer service to his two Assistant Managers, Mr. Anil Kumar and Ms. Emily Blackwell who have independent charge of the two sections.

- a. Draw three organization charts for the three divisions –Europe, North America and South East Asia(top-to-bottom) showing the person, position and levels of hierarchy for each type of departmentation.
- b. specify separately the type of departmentation visible in the organization structure of PMC

**2. Answer the following questions as directed. [2x3=6]**

- a. Often selection is viewed more as a process of elimination than selection. Why so? [2]
- b. The sole objective of Performance Appraisal is to evaluate the performance of the employees in their current job. Comment. [2]
- c. Sometimes in organizations when a vacancy occurs due to the superannuation or voluntary resignation of an employee it is not filled up for long. What is this called and why is it undertaken? [2]

**3. Say True or False to the following- [1x8=8]**

- a. The functions of a Personnel Manager and the Human Resource Manager are the same.
- b. All the selection techniques are required to undertaken while selecting an employee for a job.
- c. With clarity in rules and regulations we can have wider span in organization.
- d. In every matrix structure there is a functional structure.
- e. Lay off is a permanent termination from the job.
- f. Team structure facilitates empowerment of employees.
- g. There can be a line authority in a staff department
- h. An organizational chart can be done in a circular way too

**4. Mention the appropriate management term for the following expressions – [1x8=8]**

- a. The process of creating smaller organizations within a large organization
- b. The process of assigning responsibilities and authority to job positions and creating accountability for the same
- c. The process of recording the episodes in an employee's performance which has huge impact on the organization's efficiency and effectiveness
- d. When authority is concentrated at the upper middle and upper level of the organization structure
- e. When the entire organization is divided on the basis of a network of relationships
- f. A document that enlist the qualifications, specialization and experience required to complete a particular job
- g. The process of standardizing the jobs and ensuring the behavior of employees being guided by rules and regulations.
- h. The performance of the individual being assessed by rating the various ways in which the employee is responding to the environment.

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**2<sup>nd</sup> Year – Semester I – 2012-13**  
**Course – MGTS F211 – Principles of Management**

<b>Component</b>	<b>TEST - 1</b>	<b>Date</b>	<b>23.09.2012</b>
<b>Maximum Marks</b>	<b>50 {weight 25}</b>	<b>Duration</b>	<b>50 minutes</b>

**Answer all Questions**

**1. Read the following case and identify the various managerial roles being played by different managers. Answer in the format given after the case clearly mentioning the role, played by which manager and the sentence that indicates the said role – [2.5 x 10 = 25]**

*Indo-French Textiles Corporation that provides employment to 6000 people is in the business of manufacture and distribution of a wide variety of textile products since 1995. However, the past few years have been a very difficult phase for the company. Increased competition and labour problems had lowered productivity and pulled down the market share. While the number of competitors have gone up, the demand of workers for better salary and better working conditions have been putting lot of pressure on the management.*

*Mr. Akash Sharma, the present CEO of IFT, has seen the turbulence during the past 3-4 years and now feels bit relaxed. He along with his other managerial staff has been able to make things right with continuous and persistent efforts. Mr. Samuel Varghese, the HR manager after having a series of meetings and discussions with the workers and the trade union leaders is now able to persuade them to accept a wage hike of 10% with improved working conditions; thereby reducing the burden on the exchequer. Finance Manager Mr. Nikhil Das was able to obtain working capital from a financial institution and played a crucial role in helping the company settle wage bills and supplier dues. The new Production Manager Mr Jiten Vyas took it as a personal challenge and was able to mould the factory workers into a cohesive group that is committed and motivated to achieve high targets. Mr. Akash Sharma himself has promised to the workers that while preparing budget he would definitely set aside a sizeable amount for employee housing.*

*All these have helped to take care of the problems arising, however as the CEO Mr. Akash Sharma was not sitting idle. He had different plans too. He had dreamed and visualized how to enter into international market may be with a little diversification. Being in the textile manufacturing industry for so long, he had plans to enter into trading of readymade garments to the European market. He deputed his vice-president Mr. Sachin Gupta to personally visit many European countries. Mr. Gupta, who excels in networking, first established contacts with a number of major merchandisers of readymade garments across Europe. He asked his deputy Mr. Ramakrishna Datta to collect all sorts of information pertaining to the trade. The information need to detailed and broad covering all areas. From this information Mr. Akash prepared a summary and presented before the CEO and the Board of Directors.*

*In the coming weeks, the Marketing Manager, Mr. Suresh Reddy, is asked to prepare a press release by which the company's stakeholders can be informed about future plans in place. At the company's silver jubilee celebrations, Mr. Sharma has plans to reward outstanding employees by the Chairperson Mr. Shiv Kumar.*

**Format in which the answer should be written**

<b>Managerial Roles</b>	<b>Manager</b>	<b>Sentence from which you have identified the role</b>
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**2. Identify the managerial functions of planning, organizing, staffing, directing and controlling present in the following situations: [4.5]**

a. Raman, the production manager of Galaxy Chocolates, after the end of a production cycle, is trying to find out the capacity in which the machines were used, the availability and supply of raw materials during production, the number of hours each worker worked etc, to find out why his production team was not able to meet the target given to them.

b. The coming annual day of Queensmary, one of the oldest service providers of UAE since 1970s, is going to be celebrated in a big way with a walkathon in the morning, a full day conference from 9am to 5pm, celebrities from Bollywood promoting the new service of Queensmary at the Dubai and Abu Dhabi Malls during evening and a grand cultural programme followed by dinner from 9pm onwards at Atlantis. The CEO is busy forming different committees to take care of different jobs at hand in order to make the one day event highly successful.

c. Mr Vaid, Director of Alpha Chemicals is discussing with Global It Services to have intranet in his organization which is spread across UAE at six different locations. This will ease communicating with the employees.

**3. Which of the different management approaches is visible in the following expressions – [1.5x7=10.5]**

a. The importance of people in organization is never undermined. However, machines make them more efficient and together they succeed.

b. I am not the same myself when I am with my friends and peers.

c. Steve Jobs success story must be read by everyone interested in management.

d. The success of a manager is mostly dependant on the various right decisions he has made.

e. To have maximum production we must learn how to optimize the use of man and machine.

f. Established organizations fear to change their way of doing things as a minor change in one procedure may bring lot many changes at several other places.

g. Nothing is absolute in management.

**4. Answer the following- [4]**

a. Every organization wants its employees to be efficient as well as effective. Dr. Sharma works with Alpha Pharmaceuticals as the Laboratory in charge. The Laboratory is small and not very modern in comparison to other labs. It is located at a remote place in the eastern belt of Uttar Pradesh. However, Dr. Sharma has been able to have five patents in his name. In managerial terms he will be called as what?

b. Any organization that grows in size becomes big and with size certain features are automatically developed which are distinctly visible. This in management is referred as what?

c. what are the type of skills that are required the most at (i) lower level and (ii) top level management?

d. The number of rotations that a machine takes to complete a job is called motion study. Say True or False?

**5. Answer the following with explanations- [3+3 = 6]**

a. F W Taylor was more worried about employees intentionally not putting any extra effort than the minimum necessary which he coined as soldiering. Discuss why employees used to intentionally soldier work during his time?

b. Bureaucracy is understood as a system of rules, regulations and procedures. Discuss the negative consequences of strictly adhering to rules, regulations & procedures.

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 2<sup>nd</sup> Year – Semester I – 2012-13  
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Component	QUIZ - 2	Date	6.12.2012
Maximum Marks	14	Duration	20 minutes
ID NO:	NAME:		

Answer all Questions

<p>1. According to Maslow, an individual always takes care of his lower needs first. Say TRUE or FALSE.</p>
<p>2. Mr. Murli has a successful career as a corporate executive and he retired as the chairman of one of the biggest consumer goods MNC. After retirement he was offered the chairmanship of Reckit &amp; Colman and he gladly accepted. During his tenure he took many drastic measures to take R&amp;C to newer heights. He used to work more than what he used to do before retirement. Through all these actions he was trying to satisfy which of his need as per Maslow's theory?</p>
<p>3. Verbal Intonation is a Verbal Communication or Non-Verbal Communication?</p>
<p>4. What possibly could be a major barrier to communication at the shop floor.</p>
<p>5. A trainee engineer who joins an organization is given an orientation for 3 hours. He is then taken on an organization tour, introduced to all the department heads, and briefed on the functions of the departments. He then attended departmental presentations by around 10 departments each taking up 1 hour each. At the end of the day he is trying to remember what he had learnt that day. What is the problem that had occurred here?</p>
<p>6. The factory supervisor and the finance executive of a company belong to the same football club. At one of the weekend matches the supervisor gets to hear from the executive that the company is reducing employee bonus for the current year. What type of communication is it?</p>
<p>7. Communication is complete when there is interchange of ideas. Say TRUE or FALSE.</p>
<p>8. Often it is found that people hear what they want to hear. It means people distort information so that it appear more favorable to them. What is this barrier to communication called?</p>

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2<sup>nd</sup> Year – Semester I – 2012-13

Course – MGTS F211 – Principles of Management

Component	QUIZ - 1	Date	18.10.2012
Maximum Marks	16{weight 8%}	Duration	20 minutes
ID NO:	NAME:		

**Answer all Questions**

1. One of the longest research undertaken in the field of management in one of the reputed companies of the world during 1920s. The results were entirely revolutionary and showed many new dimensions on how to make people productive in organizations. Name the theory and the place where the research was undertaken. (0.5+0.5)

2. When the management processes are made so very structured that irrespective of the variations in the input the outputs are always as per the standard, we are said to following which theory of management?

3. Name the plan that gives no room to thinking and guides our actions.

4. As a supplier of limestone to various manufacturers of Cement, Iron ore etc., for company XYZ limited, first after an order is received, the invoice is generated, then after acceptance of the invoice by the purchasing party paper works for delivery and payment are made, then materials are supplied, then delivery is followed and physically verified and then payment is received as per terms and conditions. What is this plan?

5. In most organizations the policy is 'equal employment opportunities for all'. This conforms to which principle of management as stated by Fayol?

6. While organizing different departments are made on the basis of grouping similar tasks together. For all these departments separate plans are made and each department is also headed by a departmental head. Which principle of management as per Fayol is followed here?

7. While planning it is important to consider both external and internal environment. What type of planning we are referring to?

8. I was searching for buying a matchbox and after entering into Carrefour I got lost as to where to find it. I asked one of the 'may I help you' personnel and he took me immediately to the spot where all variety of matchboxes are kept. Which principle of management as per Fayol is visible here that is adopted by Carrefour?

9. Most times in organizations while taking decisions we use linear programming, break even analysis, queuing theory etc. This refers to which type of management theory.