

BITS, PILANI – DUBAI
Dubai International Academic City, DUBAI
2nd Year – Semester II – 2009-2010
Course – MGTS C211 – Principles of Management

Component	Comprehensive exam	Date	24.05.2010
Maximum Marks	120	Duration	3 hrs

Note: Answer Part A in Blue answer sheet and Part B in Green answer sheet.

PART A

I. Give the appropriate term that best fits the description of the following statements: (1.5 x 15 = 22.5)

1. A formal statement of an organization's primary values and ethical rules it expects its employees to follow is called
2. While doing a SWOT analysis, slow rate of market growth can be placed under which category?
3. Ensuring completion of tasks and thereby attaining the goals of the organizations by managers is known as?
4. Name the level of strategy undertaken to support the strategies at the business level.
5. The horizontal expansion of a job by increasing job scope
6. Which is the second order need according to Maslow?
7. Communication that is not defined by the organization's structural hierarchy
8. According to Fayol's principles, what is promoting team spirit within the organization known as?
9. Comparing actual with the standards set is which managerial function?
10. Which managerial approach states that there is only one best way of doing things?
11. All those who are having a say in the sustenance and growth of an organization are called?
12. A performance appraisal technique in which rating is made from the customers, peers, supervisors and subordinates is called?
13. Which management principle believes in to be at the right place at the right time doing right things?
14. If a manager prepares budget for the current financial year he is carrying out the function of?
15. When one organization ties up with his competitors for growth, the strategy is called what?

II. Answer the following in not more than 100 words [5x5=25]

16. Discuss the role of a change agent in any organizational change process.
17. Explain how BARS are more effective than any other rating scales.
18. Discuss if selection is more an elimination process.
19. Discuss with reference to Maslow and Herzberg if money is a motivator.
20. Discuss why bureaucracy is viewed negatively in an organization context.

III. Read the following case and answer the questions given below: (1.5 x 5 = 7.5)

Huber Technology, a production company in SAIF Zone Sharjah, was headed by Mr. Sam Miller, MBA from UK. All the employees were happy under him and not a single employee had any complaint against him. Huber had divisions like Finance, Operations, Maintenance, and Marketing division led by managers who had a close supervision of the staff assisting them at different levels. All the employees worked as a team with commitment to performance and having a sense of responsibility. Sam Miller believed that keeping people happy would always lead to better performance. He was always the first to appreciate the individual efforts put in by the workers and a few of them also had gained financial incentives year after year for their outstanding performance. A day care centre for the kids was available; every employee had scope of selecting the working hours but had to work for 8 hours per day as per the UAE laws. A lounge providing basic amenities was a meeting place for all the employees during the lunch time which helped employees to

socialize. Every worker was encouraged to come up with innovative ideas and suggestions which were given due consideration and often implemented. The workers as well as the employees were always made a part of the decision making process thereby making the whole organizational functioning a transparent process. Every employee was given an organizational manual detailing all rules, regulations and procedures governing the operation and processes of the organization. The policy of annual increase in salaries based on employee performance was one of the basic causes of motivation.

21. Write down the two factors of motivation according to Herzberg's theory. From the case identify which statement relates to which factor in Herzberg's theory.

PART B

IV. Read the following case and answer the questions given at the end: [15]

Global Home Enterprise, UAE had three major divisions: Furniture, Cutlery & Accessories, and Home Furnishings. The home furnishings division provides its customers with stylish and trendy up market products such as carpets & rugs, curtains, bed linen by producing them at their factory in UAE with their own group of in-house designers. The functions of production, finance, marketing & distribution, purchasing and personnel are handled by respective managers who report to the respective directors heading each division. The factory employs 100 workers who are managed by 5 factory supervisors reporting to the Production manager. Each factory supervisor is in charge of each of the five production processes – designing, weaving, printing, fabric painting and finishing departments. Bill Murray, the Chairman and Chief Executive of the company opened four further distribution outlets in other GCC countries – Kuwait, Bahrain and Lebanon and Jordan in April 2010. The Marketing Manager has Store Managers from all the GCC countries and UAE reporting to him. Each Store manager has one Assistant Store Managers and two Shop Sales Representatives, who report to the Assistant Stores manager to handle the routine tasks.

1. Draw an organizational chart incorporating the above details. Show the hierarchies, Names, Designations, locations etc. clearly. [8]
2. Identify and write down the various types of departmentation present in the chart by using examples from the case. [4]
3. What is span of control? Identify the span of control for the Production Manager and the average span of control for each supervisor. [3]

V. Answer the following: (3 x 11 = 33)

4. According to Michael Porter there are five forces that determine industry attractiveness and profitability. Identify any three of them
5. Identify 3 forces that calls for organizational change.
6. According to Fiedler what are the three contingency dimensions that define the situational factors for determining leader effectiveness?
7. Identify the three informational roles according to Mintzberg.
8. Identify three types of recruitment options available to an organization
9. Mention any three characteristics of bureaucracy.
10. Identify the three needs as suggested by McClelland
11. What are the three types of skills required by managers?
12. What are the three leadership styles according to University of IOWA studies?
13. Name the three competitive strategies as suggested by Porter.
14. Mention any three principles of management.

VI. State which of the following statements are true and which are false by giving your justification in not more than 100 words: [5+4+4+4=17]

15. Greater the span of control, taller will be the organization structure [5]
16. Autocratic leadership is bad for the organization. [4]
17. According to Systems approach, decisions and actions taken in one unit affect other units. [4]
18. Effective use of Grapevine helps to enhance communication in an organization. [4]

*****Good Luck*****

BITS, PILANI – DUBAI
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2nd Year – Semester II – 2009-2010
Course – MGTS C211 – Principles of Management

Component	Test – 2 (Open book)	Date	25.4.10
Maximum Marks	60	Duration	50 min

I. Read the following case and answer the questions given at the end: (30 Marks)

Started in 1915 as a company selling processed cheese to a market of few thousands in the US, Kraft Foods, Inc. today is the largest confectionery, food, and beverage Corporation in the United States. It markets many brands in more than 155 countries. The company is headquartered in Northfield, Illinois, a Chicago suburb. Its European headquarters are just outside Zürich, Switzerland.

In 1927, the company, which was till then relying on supermarkets and external distribution specialists, established its own sales and distribution offices in London, United Kingdom, and Germany.

By 1960's the firm had added to its product line fluid milk, caramel candies, macaroni & cheese dinners, margarines etc.

In 1961 the firm acquired Dominion Dairies of Canada, who had been a major supplier to Kraft so far, marking the first effort by the firm to maintain quality consistency.

Kraft became a pioneer in wholemeal cookies when it introduced Newtons, a wholesome snack made with real fruit—fig, strawberry and raspberry – the only one of its kind during that period.

In 1980, Kraft merged with Dart Industries - makers of the Duracell brand of batteries, Tupperware brand of plastic containers, West Bend brand of home appliances, Wilsonart brand of plastics and Thatcher glass - to form Dart & Kraft.

Budget Gourmet, a frozen dinner brand, was a specialised product that was offered to customers who value money's worth in terms of time and energy. The company was able to keep the prices low by having tight control over production and overhead costs. The brand had a market share of 30% well ahead of its competitors. But the market for frozen dinners was not looking up and continued to fall.

In 1993, Kraft sold its Breyers ice-cream division (market share being 5%) to Unilever. At that time the market for packaged ice creams was growing at a healthy rate of 18% and Haagen-Dazs had a market share of 40%. Kellogg's was making a new beginning in the breakfast market with cereals and hot porridge was slowly losing ground. Kraft sold its hot porridge division, Birds' Eye to Dean Foods since with a market share of 4% and an industry growth rate of -5%, future did not look bright.

Kraft began a major restructuring process in January 2004, following declining sales and falling profits, (blamed largely on the rising health consciousness of Americans), and the sacking of co-CEO Betsy Holden. Its aggressive product development and market expansion was reversed, as it had become slow in addressing issues on its product lines due to its size, and also company politics. The company announced closures of 19 production facilities worldwide and the reduction of 5,500 jobs, as well as the sellout of 10% of its branded products.

It finally dawned on the management that the industry prospects for cheese is always extremely bright (almost 40% industry growth rate) due to health benefits associated with it. Added to this was the fact that its nearest

competitor from Wisconsin Cheese Company had only a 12% market share. The company realized that cheese was its core business and introduced a variety of cheese products ranging from five types of cheese singles slices, cheese spread, shredded pizza cheese, low fat cheese etc. under its flagship brand name Kraft. The brand Kraft was always a market leader with a market share of 40%.

Market research showed that the confectionary industry was growing at a booming 20% while Kraft's own brand Choc-a-Block was having a measly 5% due to lack of brand value. On January 19, 2010, Cadbury finally agreed to the revised takeover offer from Kraft, valuing the confectionary business at £11.5 billion. This acquisition will give Kraft the required impetus take on Lindt, the Swiss choc manufacturer which dominates with 35% of the market share.

Questions:

1. Where will you place the following brands of Kraft in a BCG Matrix based on the above information.
Kraft, Choc-a-Block, Budget Gourmet, Bird's Eye, Breyer's Ice Cream (10 Marks)
2. Identify the management strategies that have been adopted by Kraft foods by picking out the appropriate sentence from the case. (2.5 x 8 = 20 Marks)

II. Identify the direction of communication flow present in each instance (1.5 x 5 = 7.5 Marks)

Q. 3. The Sales Manager of Hi-tech Communications holds a meeting with the Production Manager and R&D Manager to get input regarding technical details that need to be highlighted in the sales promotions.

Q.4. The Junior Assistant from Accounts division sends the Sales Manager a list of clients who have defaulted in credit payments and about whom the company needs to be cautious in future transactions.

Q.5. Later that week, the Sales Manager meets the Finance Manager and discusses with him the criteria for credit sales that need to be modified to reduce bad debts.

Q.5 a. The Sales Manager sends an email to all his sales representatives informing them of the latest sales promotion and revised price list offered by the company.

Q.6. At the end of the quarter, all the sales representatives send a Quarterly Report to the Sales Manager informing him of latest trends in the market, sales turnover for the current quarter, forecast for the next period etc. for their allotted district.

III. Write the appropriate management term for the expressions given below: (1.5 x 5 = 7.5 Marks)

Q7. The informal organization communication network

Q8. Formal arrangement of jobs within an organization

Q9. Tampering with information to make it more favourable to the boss

Q10. An organization structure that has a central core of employees and temporarily hires outside specialists to work on opportunities that arise

Q11. Authority concentrated at the middle and/or lower level of the organisational hierarchy

IV. Answer in not more than 100 words (5x3=15 Marks)

Q.12. Why do you think empowerment is required in organisations?

Q.13. Is decentralisation a must for organisations?

Q.14. How can a manager overcome barrier to communication in organisation?

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Component	Test – 1 (Closed book)	Date	14.3.2010
Maximum Marks	75	Duration	50 min

ANSWER ALL QUESTIONS

I.

1. Read the following case carefully, identify the type of managerial roles played by Bonnie Montgomery according to Henry Mintzberg and mention from which line you found your answer?. [2.5 x 10 = 25]

- a. Gap Inc. is a leading international specialty retailer having 4200 stores offering casual clothing, accessories and personal care products for men, women, children and babies under three brand names.
- b. Bonnie Montgomery is a store manager with Gap Inc.
- c. From time to time during the day, she is seen giving direction to employees to maintain floor coverage and is motivating them to find ways to help customers in choosing their products.
- d. Her day begins with reading the Wall Street Journal and internal business reports.
- e. Yesterday she had to intervene and resolve an argument that had arisen between her employee and a long time customer.
- f. The customer was annoyed that the employee would not give cash refund for merchandise returned.
- g. Last week she gave an interview to Economic Times outlining the future expansion plans of the company.
- h. She is proactive in introducing changes and setting up new displays to help improve store sales.
- i. She sent the approved marketing budget this week, to all her store supervisors so that they were aware of the cost reduction measures.
- j. This morning she welcomed a foreign delegation from South Africa with whom the company plans to tie-up for expansion and gave them a tour of the entire store.
- k. In finalizing a deal with an outside contracting firm, she had to make several calls that day to decide on price, quality and other terms and conditions.
- l. It is her job to allocate sales associates to the various zones throughout the store depending on the shoppers' crowd.
- m. This evening she will be attending a trade association meeting where she will get to interact with several influential persons and suppliers from her industry that will go a long way to widen her contacts.

II. Identify the type of skills described in the following situations: (1.5 x 3 = 4.5 marks)

2. A manager must know to communicate and resolve conflict in an organization which consists of diversified workforce.
3. A manager who is working on budgets needs computer skills in order to use spreadsheet software such as Microsoft Excel.
4. A manager must be able to realize the interdependence of finance and marketing departments, how they interrelate with production and human resource functions and how each functional department's performance affects the organizational performance.

III.

5. Every employee at Ford refers to a document entitled "Ford Motor Company Standards of Corporate Conduct" that guides ethical behaviour of employees. What is this document called in managerial terms? (1.5 marks)

IV.

6. Read the following case and identify the action taken by Ben and Jerry's Homemade Inc towards the society with an appropriate managerial term for it. (2 x 3 = 6)

Ben & Jerry's Homemade Inc. was incorporated as a limited liability company in 1978 in Vermont, USA. The dairy company produces a variety of milk products which include flavored milk, ice-cream, yoghurt etc. In accordance with the State Regulations, the company's products give details about ingredients used along with the percentage of fat, calcium, carbohydrates and calories intake for every serving. Ben & Jerry's has always shown alertness in taking up measures to help rehabilitate people and infrastructure after any natural disaster. It is also ready to undertake many measures that have some national significance. In fact, as a corporate policy it buys milk from Vermont family farmers who agree not to use growth hormones on their cows. In addition to this, the company's R & D division has produced a formula for production of organic dairy foods which provides resistance against diseases starting from the infant stage till old age.

V.

7. Identify the management functions by taking the examples from the case. (2 x 4 = 8)

As General Manager, Fred Smith has to prepare a budget to decide how much is to be allocated for advertising, for sales promotion and for salesmen's commission. He believes in having a tall hierarchical structure and appointing right people at the right job. So he has delegated authority to the lowest level in the organization to empower people, has chalked out a neat career growth within the organization for the employees, has inspired people to accept challenging work and has developed a well designed reward system. He has 20 district branches under him and it is his responsibility to evaluate whether the branches meet sales and profit targets. This year he had decided to reengineer the process in two branches which had not met the planned target due to obsolete work methods.

VI. Answer in one or two appropriate words from the management literature(1.5 x 14 = 21)

8. A system with a rigid structure and having impersonal relationship.
9. Management exists in all organizations irrespective of size, level and types of departments. What is this called?
10. The studies which examined the effects of various illumination effects and contributed to the field of Organizational Behavior.
11. According which theory of management is an organization a set of interrelated and interdependent parts arranged in a manner that produces a unified whole.
12. Who suggested that management is a science not a thumb rule?
13. Which theory of management states that different ways of managing are required for different situations?
14. An Organization bound to do work with the least amount of resources
15. An organization that has developed the capacity to continuously learn, adapt and change.
16. Identify Fayol's principle which describes the line of authority from top management to the lowest management.
17. The person who reports about the unethical practices in his organization to the outsider is called?
18. In the production process of burgers in Mc Donald's which theory of Management is seen.
19. Which theory of management involves in application of statistics, optimization models, and information models to the management activities.
20. Which principle talks about equality in treatment & behaviour towards employees?
21. Principles, values and beliefs that define what is right and wrong behavior.

VI. Differentiate between (3X3=9)

22. Principles of Unity of Command and Unity of Direction
23. Open system and closed system
24. Efficiency and effectiveness

***** **GOOD LUCK** *****

BITS, PILANI – DUBAI
Dubai International Academic City
II Year, SECOND SEMESTER 2009 – 2010

QUIZ - 2

Course MGTS C211
Code:
Course Principles of Management
Title:
Duration: 20 minutes

Date: 11.05.2010

Maximum Marks: 21

Name			
ID No:		Section	

Instructions: Answer the following questions in not more than 5 words.

1. A written statement of what a jobholder does, how it is done and why it is done	
2. According to Herzberg the kind of relationship that an employee shares with his peers in the organization would be classified as?	
3. Not filling the openings created by voluntary resignations or normal retirements is called	
4. A performance simulation test conducted to evaluate the managerial potential of candidates	
5. A performance appraisal technique that utilizes feedback from supervisors, employees and coworkers	
6. During the recruitment process what type of error has occurred if a company has recruited a candidate who turns to be a poor performer?	
7. As per Herzberg which one among the following acts as a motivator -- Job Enlargement or Job Enrichment	
8. According to McClelland, which is the desire for a friendly and close interpersonal relationship	
9. The status need as mentioned by Maslow will be placed as what factor as per Herzberg's theory.	
10. In recruitment we screen the applications. True or false?	
11. Which selection device is commonly used to check the attitude of a candidate?	
12. Which theory assumes that people have little ambition, dislike work and want to avoid responsibility?	

13. Mention any two needs of David McClelland's theory. (2 marks)
14. In addition to the job of welding Ramesh is given the additional responsibility of procuring the welding rods and maintaining a record of the targets achieved and the wastage while welding. His job is said to be
15. Expand the abbreviation BARS.
16. Which order needs have got the maximum potential to motivate individuals?
17. A need once satisfied no longer motivates – true or false?
18. In some organizations, the time schedule is such that there are some common core hours when all employees are required to be on the job but starting, ending and lunch hour times vary. What is this type of scheduling system called?
19. Strict supervision is required for Theory Y type of people. True or false?
20. The process of reducing the total number of manpower from a list of available manpower is known as decruitment. True or false?

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Quiz – 1

Course : MGTS C211
Course Title : Principles of Management
Duration : 20 minutes

Date : 30.03.2010

Name :

Id No :

Section:

Marks: 24

I. Answer the following questions in the space left below the question:

1. The type of plan comprising of series of interrelated sequential steps that a manager uses
2. The type of plans specifically designed for a unique situation
3. Identify the view of social responsibility that focuses on organization's contribution towards the welfare of all stockholders
4. Planning in organizations is a continuous process. Do You agree? Say Yes or No.
5. Any planning in organizations directed towards accomplishment of a long term objective by thoroughly considering both the internal as well as external environment is known as -
6. Any one who raises ethical concerns or issues to other both inside and outside the organization is called?
7. Mr. Aneesh, the MD of Unicare asked his manager Mr. Sayeed to design a plan that will take care of all the details about the training of the existing employees in unit A which is due for modernization. Which type of plan Mr. Sayeed will be designing?
8. In a warehouse whenever the stock falls below 100 units mark of any particular commodity, the stores in charge is needed to refill the stock by giving purchase order to the supplier without any further approval. This is an example of what type of decision in the organization?
9. Do you think by just meeting the social obligations a firm is also taking care of his social responsibility? Say Yes or No.
10. Name the Nobel Laureate who argued that Manager's primary responsibility is to operate business in the best interests of the stockholders.

11. Decision making is just a simple act of choosing among alternatives. Do you agree? Say yes or No?
12. What is the term used in decision making to describe settling down for good enough solutions
13. Which plan indicates the expected future returns in numeric terms

II. Match Column A with Column B and write your answers in the empty spaces in Column C: [10]

Column A	Column B	Column A	Column C
1. Official statement of primary values	a. Policy	1	
2. Repetitive use	b. Social Obligation	2	
3. Individual value system	c. Non-programmed decision	3	
4. Guides our action	d. Uncertainty	4	
5. Custom made solutions	e. Code of ethics	5	
6. Stakeholder	f. Ethics	6	
7. Maximize outcomes	g. Bounded rationality	7	
8. Time and cost constraints	h. Social Responsibility	8	
9. Partly known outcomes	i. intuitive decision	9	
10. Guides our decision making	j. Risk	10	
11. To pay tax	k. Standing plans	11.	
	l. Rational decision		
	m. Suppliers		
	n. Single use plan		
	o. Rules		