



INDIAN SCHOOL AL WADI AL KABIR

Class: XII Business Studies	Department: Commerce
Worksheet No: 2	Topic: Principles of Management

MCQS

Q1. Who is considered as father of scientific Management?

- A. F.W Taylor
- B. Henry Fayol
- C. Gilberth
- D. Koontz

Ans. A

Q2. Principles of management cannot be

- A. Defined
- B. Applied anywhere.
- C. Tested in Laboratories
- D. Part of Business

Ans. C

Q 3 “One head One plan” is concerned with the following principle of Fayol

- A. Unity of command
- B. Unity of Direction
- C. Fair remuneration
- D. Division of work

Ans. B

Q.4 Which study of Taylor aims at eliminating unnecessary movements to ensure timely completion of work.

- A. Method study
- B. Motion study
- C. Time study
- D. Fatigue study

Ans. B

Q.5 The principles of management can be changed according to the prevailing situation in organisation. This shows that management principles are

- A. Flexible
- B. Behavioral

- C. Scientific
- D. Universal

Ans A

Q.6 The principle which states that there should be good supervisors at all levels for smooth and systematic working of an organization is:

- A. Equity
- B. Initiative
- C. Discipline
- D. Order

Ans. C

Q.7 The technique in which task of supervision is divided into several specialized functions and each function is entrusted to a specialist foreman is:

- A. Standardization
- B. Differential piece wage system
- C. Simplification
- D. Functional Foremanship

Ans. D

Q.8 Taylor focused his attention on

- A. Shop level
- B. Top level
- C. Middle level
- D. Administrative level

Ans. A

Q.9 This principle emphasizes kindness and justice in the behaviour of managers towards workers:

- A. Equity
- B. Order
- C. Espirit de Corps
- D. Initiative

Ans. A

Q.10 "Panchayats in our country have been given more powers to decide and spend funds granted to them by the government for welfare of villages. Identify the principle of management highlighted in the statement

- A. Equity
- B. Centralisation and decentralisation
- C. Authority and Responsibility
- D. Espirit De corps

Ans. B

Q11. Any other reason will create insecurities among the employees this statement is related to-

- (A) Espirit de Corps
- (B) Remuneration
- (C) Stability of personnel
- (D) Authority and responsibility

Ans. Stability of personnel

Q12. Administrative principles were given by-

- A. F W Taylor
- B. Henry Fayol
- C. Abraham Maslow
- D. F W Taylor

ans. Henry Fayol

Q13. Which of the following is not the part of work study

- A. method study
- B. motion study
- C. time study
- D. functional foremanship

ans. functional foremanship

Q14. Which foreman is keeping the machinery and tools ready for operation by workers:

- A. repair Boss
- B. gang Boss
- C. speed boss
- D. inspector

ans. gang Boss

Q15. Functional foremanship is an extension of which of the following principles:

- A) division of work
- B) discipline
- C) subordination of individual interest to general interest
- D) Espirit de Corps

Ans. division of work.

Q16. Which principle is an extension of harmony not discord:

- A) cooperation not individualism
- B) Espirit de Corps
- C) initiative
- D) Discipline

Ans. Cooperation not individualism

Q17. Number of specialists in technique of functional foremanship is

- A) 4
 - B) 8
 - C)10
 - D)6
- Ans. 8

Q18. He is known as the father of scientific management

- A) FW Taylor
- B) FW Fayol
- C) FW Maslow
- D) Henri Fayol

Ans. F W Taylor

Q 19 Violation of Principle of Esprit de Corps leads to –

- A) minimizing labour turnover
- B) sales turnover
- C) need for using penalties
- D) disorder

Ans. Need for using penalties

Q20. Which principle prevents dual subordination

- A) unity of command
- B) unity of direction
- C) order
- D) equity

Ans. Unity of command

LONG ANSWER QUESTIONS

1. 'Work is Worship' is a leading construction company. The organisation has grown from strength to strength because of its innovative ideas and scientific approach of working. Ten years back the organisation went through a revolution. All the operations and activities were properly noticed and the standard time taken to perform them was noted. This took a few months and now the company could find out the number of workers required and the number of days to be involved in the various manufacturing processes. A year later they moved to another level by considering the stress involved in the lives of the workers. The amount and frequency of rest intervals in finishing a particular task were noted. This helped the company in optimizing the rest intervals for the workers so that their outputs could be increased. After six more months the company decided to reward the efficient workers. A different rate of wage payment was decided for those workers who performed above the standard. The standard was decided. This led to a revolutionary change in the perspective of the workers who now started giving their full efforts in order to increase their wages.

Which concept of management has been discussed in the above case? Name the three types of this management concept highlighted above. Also identify the lines where these types have been indicated. 4

Answer:

The concept of management which is discussed above in the whole case is **Techniques of Scientific Management**.

The various types of techniques used are:

2. **Time Study.** All the operations and activities were properly noticed and the standard time taken to perform them was noted.
3. **Fatigue Study.** The amount and frequency of rest intervals in finishing a particular task were noted.
4. **Differential Piece Wage System.** A different rate of wage payment was decided for those workers who performed above the standard.

2. Example Pvt. Ltd. is an organisation which is governed by people who are egoistic and consider themselves as the most intelligent. All the suggestions made by the workers are not even attended which has resulted in many strikes during last couple of months. The result is lack of productivity. However recent reports from the organisation say that there is a training module going on for the employees so that their individual development can take place to the maximum. Some training modules are thought of being implemented. This may take the organisation out of its current bad performance. This training module which is now to be followed at the main branch will be later given a uniform format and will be applied to all branches of the organisation. .

Identify the principle of management which is violated initially and the principle of scientific management which is followed later on. Which concept of scientific management is discussed in the last part of the above case?

Answer:

The principle of management which is violated initially is **Cooperation not Individualism** as the suggestions were overlooked and the strikes happened. All the suggestions made by the workers are not even attended which has resulted in many strikes during last couple of months.

The principle of management which is followed later on is **Development of Each and Every Person to His or Her Greatest Efficiency and Prosperity**. However recent reports from the organisation say that there is a training module going on for the employees so that their individual development can take place to the maximum.

The concept of management which is discussed in the last part of the case is **Standardization**. This training module which is now to be followed at the main branch will be later given a uniform format and will be applied to all branches of the organisation

3. Enigma Coolers are the leading manufacturers in their area. They have decided to increase the productivity of their workers. For this they have chalked out a plan. They will be hiring operational managers who to work at

the lower level of management. They have decided to keep eight managers over a single worker. Thus, every worker will have to report to all these eight managers.

Which technique of scientific management is followed here? What will be the benefit? Also tell which principle of Fayol will be violated here?

Answer:

The technique of Scientific Management which is used here is **Functional Foremanship**.

The benefit will be that every worker cannot have all the qualities like intelligence, special knowledge, energy, honesty, etc. Individually each of the functional foremen like gang boss, speed boss, etc. will look after all these qualities.

The principle of Fayol which will be violated here will be principle of **'Unity of Command'** as a single worker will have to report to eight different people

4. Mohan works on the floor of a mall as a manager. He is very hard working but is unable to produce results for his organisation. His target for last month was a sale of 10 lakh rupees from his floor. However, by the end of the month the sale was only 8 lakh rupees. He is very regular and takes all the necessary steps to complete the target. However, his staff is not as competent as he himself is. When he tries to take action against disobedient employees the top management doesn't allow him to do so. They haven't given him the power to fire employees or take any strict action against them.

Which principle of Fayol is violated here by the Organisation?

Answer:

The principle of Fayol which is violated here is **'Authority and Responsibility'**. The amount of responsibility put on the shoulders of the floor manager is not in proportion to the amount of authority given to him. He can't take any strict action against his subordinates.

5. Bhatkaav Enterprises is facing huge losses. The owner of the company is an MBA pass out. Even then many things in the organisation are happening which are indicative of lack of proper management in the company. First of all, there is no specific sharing of work and any time any employee is asked to do anything. This has led to wastage of efforts. Further due to negligence in proper work sharing there has been no specialization development in the nature of the jobs done by the employees.

There are no clear and fair agreements between the workers and the management. This has led to a lot of frustration in the workers. Management has quite often been found to be ignorant of not fulfilling promises done by it. There are also no strict rules and regulations binding on the conduct of the workers.

The departmental heads who are the middle level managers in the company and hold key positions always favor their relatives. They quite often don't turn up for job on time. They are always looking for special relaxations from the top

management. This has led to feeling of resentment among the employees who are also demanding special favors and threatening strike in the coming days. Identify the three principles of Fayol violated in the above case.

Answer:

In the first paragraph of the case the principle of Fayol which is violated is '**Division of Work**'. In the second paragraph of the case the principle of Fayol which is violated is '**Discipline**'.

In the third paragraph of the case the principle of Fayol which is violated is '**Subordination of individual interests to general interests**'.

6. Every year a meeting is organized in the lawns of the owner of a company. In this meeting the owner of the company grants some funds for the benefit of the families of the employees. The employees on the other hand never resist any change or put excessive demands. The general environment in the company is very supportive to the employees. The employee turnover ratio is very low. Which concept of management is discussed here? Which principle of management will be easily followed here?

Answer

The concept of management discussed here is **Mental Revolution**. The owner of the company grants some funds for the benefit of the families of the employees. The employees on the other hand never resist any change or put excessive demands.

Since the employee turnover ratio is low the principle of management which must have been followed is '**stability of personnel**'. Whenever there is violation of this principle of Fayol the employee turnover ratio increases. The increased employee turnover ratio is not good for an organisation and should be minimized.

7. Sanchit, after completing his entrepreneurship course from Sweden returned to India and started a coffee shop 'Aroma Coffee Can' in a famous mall in New Delhi. The specialty of the coffee shop was the special aroma of coffee and a wide variety of flavors 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 analyzed 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 realized 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.

Ans:

The two techniques of scientific management used by Sandhya to solve the problem are: (any two)

- **Time Study**
- **Standardization and Simplification**
- **Motion Study**

8. What did Taylor want to communicate through mental revolution?

Ans: Through the concept of mental revolution Taylor emphasized that there should be complete transformation in the outlook of the management and workers towards each other. Managers should share surplus with workers and the workers should work with full devotion instead of indulging in any form of class conflicts.

9. 'Aapka Vidyalaya' believes in the holistic development of students and encourages team building through a mix of curricular, co-curricular and sports activities. On its Founder's Day, a stage performance had to be put up. A committee of ten prefects was constituted to plan different aspects of the function. They all decided to use recycled paper for decoration. There was a spirit of unity and harmony and all the members supported each other. With mutual trust and a sense of belonging, the programme was systematically planned and executed.

Kartik, one of the prefects, realised that the group had unknowingly applied one of the principles of management while planning and executing the programme. He was so inspired by the success of this function that he asked his father to apply the same principle in his business. His father replied that he was already using this principle.

- i. Identify the principle of management applied for the success of the programme.
- ii. State any two features of management highlighted in the above paragraph.

Ans.

- i. The principle of management applied for the success of the programme is *Espirit De Corps*.
- ii. The two features of management mentioned in the above paragraph are as follows:
 - Management is goal oriented as it seeks to integrate the efforts of different individuals towards the accomplishment of both organizational and individual goals.
 - Management is pervasive as it is applicable to all types of organizations, (economic, social, political) all sizes of organizations (small, medium, large) and at all levels of management (top, middle and lower).

10. Telco Ltd. manufactures files and folders from old clothes to discourage the use of plastic files and folders. For this, they employ people from nearby villages where very less job opportunities are available. An employee, Harish, designed a plan for cost reduction but it was not welcomed by the production manager. Another employee gave some suggestions for improvements in design, but it also was not appreciated by the production manager.

State the principle of management that is violated in the above paragraph.

Ans:

The principle of management that has been violated in the above case is Initiative. Initiative means taking the first step with self-motivation. The workers should be encouraged to develop and carry out their plans for improvement. Suggestion system should be adopted in the organization.

11. Pawan is working as a Production Manager in CFL Ltd. which manufactures CFL bulbs. There is no class-conflict between the management and workers. The working conditions are very good. The company is earning huge profits. As a policy, the management shares the profits earned with the workers because they believe in the prosperity of the employees.

State and explain the principle of management described in the above paragraph.

Ans:

The principle of management described in the above paragraph is 'Harmony, not Discord'.

Taylor emphasized that there should be complete harmony between the management and workers instead of a kind of class-conflict, the manager versus workers. To achieve this state, Taylor called for complete mental revolution on the part of both management and workers. The prosperity for the employer cannot exist for a long time unless it is accompanied by prosperity for the employees and vice versa. He advocated paternalistic style of management should be in practice.

12. Voltech India Ltd. is manufacturing LED bulbs to save electricity. However, it is running under heavy losses. To revive from the losses, the management shifts the unit to a backward area where labour is available at a low cost. The management also asks the workers to work overtime without any additional payments and promises to increase the wages of the workers after achieving its mission. Within a short period, the company starts earning profits because both the management and workers honor their commitments.

State and explain the principle of management described in the above paragraph.

Ans:

The principle of management described in the above paragraph is 'Discipline'. Discipline is the obedience to organisational rules and employment agreement which are necessary for the working of the organisation. According to Fayol, discipline requires good superiors at all levels, clear and fair agreements and judicious application of penalties