



INDIAN SCHOOLAL WADI AL KABIR

Class: XII	Department: Commerce
Chapter 2	Topic: Principles of Management

1. Mr Mukesh used to manufacture shoes by employing labour who were easily available. When his son after completion is MBA joined the business. He analysed that if we use capital intensive method by using a machine it will reduce the cost and the quality of shoes will also improve. Answer the following questions. Based on the above case studies.

A. Which technique of scientific management is used by his son.

- (a) Fatigue study
- (b) Motion study
- (c) Method study
- (d) Work study

B. What is the objective of that technique?

- (a) Finding the best way of doing thing
- (b) Finding the rest interval
- (c) Finding the minimum cost
- (d) All of the above.

2. Mr.Rajiv is the owner of “Laxmi Diary”. He is producing various milk products. He always tests various ways of producing different products and chooses the best and most economical way of production. He is also very particular about fixing a place for everything and he makes sure that all the employees are given a fixed place so that there is no wastage of time and delay in production

Answer the following questions.

A. Which technique of scientific management is applied by Mr. Rajiv?

- (a) Motion study
- (b) Fatigue study
- (c) Method study
- (d) None of the above

B. Which principle of Henry Fayol is followed by him?

- (a) Principle of equity (c) Principle of discipline
(b) Principle of order (d) All of the above.

Q.3.Principles of Taylor and Fayol are mutually complementary. One believed that the management should share the gain with the workers while the other suggested that employee's compensation should depend upon the earning capacity of the company and should give them a reasonable standard of living. Answer the following questions

A. Which principle of Fayol is applied here?

- (a) Remuneration (c) Equity
(b) Discipline (d) Esprit the corps

B. Which principle of Taylor is applied here?

- (a) Harmony not discord (c) science not rule of thumb.
(b) Cooperation not individualism (d) None of the above

4. Manager of ABC ltd. does not allocate work as per the capability of workers. Which principle is violated by them.

- (a) Principle of equity (c) Principle of order
(b) Principle of discipline (d) Principle of Division of work

5. The salesman of ABC ltd. could not achieve his sales target of 1000 units, on enquiry it was found that he was not allowed to take decision related to give discount or credit to any of his customer. State the principle of Management violated in this case

- (a) Principle of Division of work (c) Principle of authority and responsibility
(b) Principle of order (d) None of these

6. Suraj was engaged in the business of carpet making. Since company was making handmade carpet as well as machine made carpet. There were lot of overlapping of activities, so the Production manager advised there should be two separate division for both of them. Where in each

division should have its own in charge plans and execution.
Identify the principle of management insisted by production Manager.

- (a) Unity of command
- (b) Unity of direction
- (c) order
- (d) Equity

7. Mr. Malhotra, Finance manager of ABC Ltd. Applied for leave to attend a family function in Amritsar. The director of the company requested him to cancel his leave as there is an important meeting schedule on that date. Mr. Malhotra immediately agreed and cancelled his trip as he thought attending meeting is more important for company's benefit. Which principle of Fayol is applied by Mr. Malhotra?

- (a) Principle of subordination of individual interest to general interest.
- (b) Principle of equity
- (c) Principle of order
- (d) Principle of Discipline.

8. The principles of management are said to be flexible as:

- a) They aim at influencing behaviour of human beings.
- b) They are general guidelines to action, but do not provide readymade solutions to management problems.
- c) They can be modified by the manager when the situation so demands.
- d) Their application is dependent upon the prevailing situation at a particular point of time.

9. "Management principles are not as rigid as principles of pure science." Which of the following best describes the given statement?

- a) Management principles deal with human behaviour and, thus, are to be applied creatively given the demands of the situation.
- b) Principles of management are formed after research in work situations, which are technical in nature.
- c) Principles of management contribute towards the development of management both as a science and as an art.
- d) None of the above

10. The principles are guidelines to action but do not provide readymade, straitjacket solutions to all managerial problems. This is so because _____.

- a) The applications of principles has to be changed as per requirements.
- b) Real business situations are very complex and dynamic and are a result of many factors.
- c) Principles are like different tools serving different purposes, the manager has to decide which tool to use under what circumstances.
- d) All the above

11. “The principles of management are not rigid prescriptions, which have to be followed absolutely.” Which of the following best describes the given statement?

- a) Management principles aim at influencing behaviour of human beings.
- b) Management principles enable a better understanding of the relationship between human and material resources in accomplishing organisational purposes.
- c) Management principles are flexible and can be modified by the manager when the situation so demands.
- d) None of the above.

12. The application of principles has to be changed as per requirements. For example, employees deserve fair and just remuneration. But what is just and fair is determined by multiple factors. They include contribution of the employee, paying capacity of the employer and also prevailing wage rate for the occupation under consideration.

Identify the nature of principles of management highlighted above.

- | | |
|------------------------|----------------|
| (a) General Guidelines | (b) Flexible |
| (c) Mainly Behavioral | (d) Contingent |

13. A manager should have the right to punish a subordinate for wilfully not obeying a legitimate order but only after sufficient opportunity has been given to a subordinate for presenting her/his case. Identify the principle of management highlighted above.

- (a) Authority and Responsibility
 (c) Equity

- (b) Discipline
 (d) Stability of Personnel

14. Match the principle of management in Column I with their respective explanation in Column II:

a. Scalar chain	(i) When no division of the company has a separate plan of action.
b. Subordination of individual interest to general interest	(ii) 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.
c. Unity of direction	(iii) When a subordinate habitually contacts higher authorities In the company by passing his/her immediate superior.
D. Equity	(iv) When the manager grants one month medical leave to a supervisor with pay and only one week medical leave to accountant.

- (a) (i), (ii), (iii), (iv)
 (c) (iii),(ii),(i),(iv)

- (b) (ii), (i), (iii), (iv)
 (d) (iii),(i),(ii),(iv)

15. In the given question, a statement of assertion followed by a statement of reason is given. Choose the correct answer out of the following choices.

- a) Both Assertion (A) and Reason (R) are true and Reason (R) is the correct explanation of Assertion (A).
- b) Both Assertion (A) and Reason (R) are true but Reason (R) is not correct explanation of Assertion (A)
- c) Assertion (A) is true but reason (R) is false.
- d) Assertion (A) is false but reason (R) is true

Assertion (A) : Taylor's technique of functional foremanship is based on Fayol's principle of division of work.

Reason (R): Taylor advocated separation of planning and execution functions of a foreman through a planning and production in-charge under him. Each of the in-charge will have four personnel working under him according to their specialisation.

CASE BASED QUESTIONS

16. Gurpreet is running a retail mart in Varanasi to provide various types of products of daily use under one roof to the buyers. The employee turnover in his business is very high and he is perpetually on a look out for new staff. The fact of the matter is that he lacks managerial skills and assigns work to his employees on adhoc basis without letting them settle down in a specific work. This approach of his creates a sense of insecurity among the employees and they tend to leave the job very quickly. However, he is a very god fearing person and offers fair wages to his employees so they can afford a reasonable standard of living.

In context of the above case:

1. Identify and explain the principle of management which Gurpreet is unable to apply and is perpetually on a look out for new staff.
2. "He is a very god-fearing person and offers fair wages to his employees so they can afford a reasonable standard of living." Name and explain the relevant principle of management will has been brought into effect by Gurpreet.

17. Abhishek studied management principles and techniques of Henri Fayol and F.W. Taylor when he was in class XII. Now he is trying to apply his knowledge while doing his business. By using different techniques and scientifically analysing work he found one best way of doing the job. By removing unproductive movements of the workers he reduces the time to complete the job. Not only this, to increase productivity and to regain stamina he started giving more rest intervals to his employees. He followed no discrimination policy on account of sex, religion, caste, etc. in his organisation. He ensured that the compensation should be fair to both, employees and the organisation. Identify and explain any two techniques of scientific management and two principles of general management adopted by Abhishek.

18. The principles of Taylor and Fayol are mutually complementary. One believed that 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 of living. Identify and explain the principles of Fayol and Taylor referred to in the above paragraph.

19. Nutan Tiffin Box service was started in Mumbai by the Mumbai Dabbawalas. The Dabbawalas who are the soul of entire Mumbai aim to provide prompt and efficient services by providing tasty homemade tiffin to all office goers at the right time and place. The service is uninterrupted even on the days of bad weather, political unrest and social disturbances. Recently, they have started online booking system through their website 'mydabbawala.com'. Owing to their tremendous popularity amongst the happy and satisfied customers and members, the Dabbawalas were invited as guest lecturer by top business schools. The Dabbawalas operate in a group of 25-30 people alongwith a group leader. Each group teams up with other groups in order to deliver the tiffins on time. They are not transferred on frequent basis as they have to remember the addresses of their customers. They follow certain rules while doing trade—no alcohol during working hours; no leaves without permission; wearing white caps and carrying ID cards during business hours.

Recently, on the suggestion of a few self-motivated fellow men, the

dabbawalas thought out and executed a plan of providing food left in tiffins by customers to slum children. They have instructed their customers to place red sticker if food is left in the tiffin, to be fed to poor children later.

1.State any one principle of management given by Fayol and one characteristic of management mentioned in the above case.

20. After finishing her BBA degree course, Tanya gets a job of Assistant Manager in a retail company through the reference of her cousin Taruna who works in the same company as a Senior Manager. Taruna decides to guide Tanya through her experience by making her aware of the important facts about management in practice. She tells her that neither the principles of management provide any readymade, straitjacket solutions to all managerial problems nor they are not rigid prescriptions, which have to be followed absolutely.

In context of the above case:

1. Identify the two features of principles of management mentioned in the above paragraph by quoting lines from the paragraph.
2. Why do the principles of management not provide readymade, straitjacket solutions to all managerial problems?