



# INDIAN SCHOOL AL WADI AL KABIR

<b>Class: XII</b>	<b>Department: Commerce</b>
<b>Subject: BST</b>	<b>Chapter 5: Organising</b>
<b>Worksheet: 02</b>	<b>Case Based Questions</b>

1. An organisation is working by clubbing similar related jobs under different departments. The HR department is not in direct touch with the Marketing Department and this has created problems. The HR head feels that he only knows about the HR department and similar is the case with the Marketing department. However, the truth is both of them have limited and specific skills. Which type of organisation structure does this organisation has? What will be the outcome of this mode of thinking in the near future for the organisation? Name one more disadvantage of this type of organisation structure?
2. Identify the type of organisation structure in the following cases:
  - A. Apexa Glue is a manufacturing company based upon functions and has important departments like HR, Marketing, Finance, etc.
  - B. Ravi runs a company in Hyderabad. The company is known for its product specialisation and has a lot of reputation in the market.
  - C. Nitin is an owner of a reputed manufacturing company. However in his firm it is difficult to fix responsibility on a particular department.
  - D. Archana is a dynamic CEO. In her organisation she allows for autonomy and opportunity to perform multiple functions. This had led to managerial development in her employees.
  - E. Rajiv Bulbs is a city based flourishing company. Recently it has won award for being the most economical company as the functions are not duplicated in it.
  - F. Synchronisation of efforts is easy in Sigma Tubelights Ltd. as all the related functions related to a particular product are integrated within one department.
3. A company has been registered under the Companies Act with an authorized share capital of Rs.20,000 crores. Its registered office is situated in Delhi and manufacturing unit in a backward district of Rajasthan. Its marketing department is situated in Bhopal. The company is manufacturing Fast Moving Consumer Goods (FMCG).

A) Suggest with the help of a diagram a suitable organisation structure for the company.

B) State any three advantages of this organisation structure.

4. A Company named Mahi Cycles has decided to start a new branch in the Middle East. The company has recognised the amount of work to be done in number of hours. The company has found out that it will take 25000 hours of man work and has subsequently divided the number of hours for different operations. The real challenges of the company begin here. Very methodically responsibility of the recognized amount of work has been given to different individuals according to their capabilities.

Which function of management is highlighted above? Identify the two steps of this function indicated above.

5. Kaamna is a bright young management trainee. After six months of testing by her organisation she is given charge of her office as an assistant manager. She starts her job with a lot of enthusiasm but realises that it won't be possible for her to continue without sharing her tasks. She keeps a secretary who takes orders from her. This has reduced her burden of work and has helped her to focus on priority assignments.

Which concept of management is discussed in the above case? Name two importance of this concept.

6. Arnav Electricals is a company which has in recent years adopted the decentralized method of running the organisation. The company has grown dynamically and the decisions taken by the lower level management are implemented which saves time as people taking decisions are near the point of action. However, recently chairman of another manufacturing firm who is also a good friend of Arnav, chairman of Arnav Electricals, met him and asked him how he could evaluate performance of employees in case he goes for a decentralized approach. A few hours later Arnav's secretary calls him and asks for the list of works to be done the next day. He narrates him all the important tasks to be executed.

Which importance of decentralisation has been highlighted in the above case?

What advice do you think Arnav should give to have better control in a decentralized organisation?

Which concept of organizing is taking place between Arnav and his secretary?

Which type of scope does this concept have?

**7. Identify the type of organisation structure in the following cases:**

- A) A manager gains experience of all the related functions like HR, Marketing, Finance, etc.
- B) A particular division may try to increase its profit at the cost of others in an organisation.
- C) This type of structure is suitable for large business enterprises where several products are there for sale. It is easy to add new departments as new products are added.
- D) The organisation believes in occupational specialisation and lays stress on specific functions.
- E) In this type of organisation less focus is given on overall enterprise targets.
- F) The size of organisation is large and there is a need for higher degree of specialisation.
- G) There is a similarity of tasks within a department and more chances of control and coordination.
- H) Problems of improper coordination may result as message will flow between functionally different departments.
- I) There can be blame game as conflict of interests may arise between functionally different departments.
- J) There are chances of flexibility and initiative as the departments function as autonomous units.
- K) A manager supervises all the situations and functionalities related to a particular department. Here the authority is more than the other type of organisation structure.
- L) The expansion and growth is easier as new units can be adjusted without disturbing the ongoing operations.
- M) The training of managers is easier as the limited sets of skills are targeted for a particular employee.

**Read the extract given below and answer the questions on the basis of the same:**

Aman decided to start a business of manufacturing toys. He identified the following main activities which he has to perform: (i) purchase of raw materials, (ii) purchase of machinery, (iii) production of toys; (iv) arrangement of finance; (v) sale of toys; (vi) identifying the areas where they can sell their toys; (vii) selection of employees. In order to facilitate the work he thought that four managers should be appointed to look after: (a) production (b) finance (c) marketing (d) personnel. As planned, all this was executed and the business started doing well. But the manager of production department is overburdened with routine work and is unable to concentrate on core issues of the department.

To overcome this problem, he entrusted some of his responsibility and authority to his immediate subordinates.

**(a) Identify the function of management involved in the above-mentioned paragraph.**

(i) Planning (ii) Organising (iii) Directing (iv) Controlling

**(b) Which concept/process is used by the production manager?**

(i) Decentralisation (ii) Delegation (iii) Training (iv) Coordination

**(c) The concept identified in point (b), is an extension to one of the principles of management. Name that principle.**

(i) Authority and responsibility (ii) Division of work  
(iii) Centralisation and decentralization (iv) Unity of direction

**(d) Who will be accountable finally if the subordinate is unable to complete the task accordingly within time?**

(i) The Manager (ii) The Subordinate (iii) Both (i) and (ii) (iv) None of these

**Read the extract given below and answer the questions on the basis of the same:**

Mohit, the owner of 'Ravi Constructions' decided to begin a campaign in order to create awareness among the residents for creating a clean and safe environment. In an effort to develop clean surroundings in the area, he formed a team of 30 members to list the different ways that can be adopted for keeping the area clean. Different people had different suggestions, someone suggested to take the help of local residents including young children, one suggestion was to involve unemployed youth. The idea to take the help of volunteers was also given. A combination of the most effective strategies after evaluating all options was selected for implementation. To achieve the desired goals and objectives, various activities were identified like:

(i) Purchase of essential items like dustbins, garbage bags, brooms, phenyl, etc. (ii) Door-to-door collection of garbage. (iii) Recycling of garbage. (iv) Disposal of garbage, etc. Thus, an organisational design was chosen which grouped similar activities together in order to minimise duplication of effort. After identification and grouping of these activities, the work was allocated among the different members.

**(a) "After identification of different activities, the work was allocated to different members." Which step does this represent in the process of organising?**

- (i) Identification and division of work
- (ii) Departmentalisation
- (iii) Assignment of duties
- (iv) Establishing reporting relationships

**(b) "Thus, an organisational design was chosen which grouped similar activities together in order to minimise duplication of effort." Which step under the process of organising is being referred to in this line?**

- (i) Identification and division of work
- (ii) Departmentalisation
- (iii) Assignment of duties
- (iv) Establishing reporting relationships

**(c) "Thus, an organisational design was chosen which grouped similar activities together in order to minimise duplication of effort." Which step under the process of organising is being referred to in this line?**

- (i) Identification and division of work
- (ii) Departmentalisation
- (iii) Assignment of duties
- (iv) Establishing reporting relationships

**(d) "Thus, an organisational design was chosen which grouped similar activities together in order to minimize duplication of effort." Which organisational design is being referred to in this line?**

- (i) Functional
- (ii) Formal
- (iii) Divisional
- (iv) Informal