

BA5102-PRINCIPLES OF MANAGEMENT

Two Mark Questions with Answer

Unit-I

1. Define management?

According to Knootz and Wehrich "Management is the process of designing and maintaining of an organization in which individuals working together in groups efficiently accomplish selected aims"

2. Define Administration?

According to E.F.L Breech "Administration is that part of management which is concerned with the installation and carrying out of the procedures by which the programme is laid down and communicated. The progress of activities is resulted and checked against plans. This breech concerns administration as a part of management.

3. Distinguish between management and administration:

S.N	Administration	Management
1	It is higher level functions	It is lower level functions.
2	It refers to the owners of the Organisation	It refers to the employees.
3	Administration is concerned with decision making	Management is the concerned with execution of decision.
4	It acts through the management	It acts through the organization.
5	Administration lays down broad Policies and principles for guidance	Management executes these policies in to the practice

4. List down the scope of management:

- i. Functional areas of management
- ii. Subject-matter of management
- iii. Management is an inter-disciplinary approach
- iv. Principle of management
- v. Management is an agent of change
- vi. The essentials of management.

5. What is system approach to management?

The system approach views the organisation as unified purposeful system composed of interrelated parts. This way the manager can look at the organisation as a whole or

a part of the larger outside environment. Activity of any part affects all other parts of the organization. A system can be biological, physical or social.

6. What is the scientific management?

Fredrick Windows Taylor is called “father of scientific management”. Taylor attempted a more scientific approach to management as well as the problems and the approach was based upon four principles.

- Observation and measurement should be used in the organisation
- The employees should scientifically select and trained
- Due to scientific selection and training, an employee has the opportunity earning a high rate of pay
- A mental revolution in the form of constant cooperation between an employer an employee should be given the benefits of scientific management.

7. Define joint sector unit?

Joint stock company unit is association of many person who contribute money worth to common stock and explain source trade and also share the profit and losses.

8. Explain unity of direction;

Unity of direction signifies each group of activities having the same objective with one head and one plan. All the groups should coordinate and work together to achieve the common goal.

Comment: Management is both – A science and art;

The organization is centralized when the power is concentrated with one person.

9. List the functions of management:

1. Planning
2. Organising
3. Staffing
4. Coordinating
5. Controlling.

10. List the characteristics of modern management:

- Management is a continuous process.
- Manager use the resource of the organization both physical as well as human to achieve goals.
- Management aim acts in achieving the organisation goals by ensuring the effective use of resources.

11. How does effectiveness differ from efficiency?

Efficiency:

Efficiency means doing things right. It defines the ability to minimize the use of resources in achieving the organisation objectives.

Effectiveness:

Effectiveness means “doing the right thing”. The ability is to determine appropriate objectives.

12. Mention the characteristics of a bureaucrat system.

- Well-defined hierarchy
- Division of labour and specialization.
- System of written rules and regulations.
- Impersonal relation between managers and employees.
- Selection and evaluation system.
- Records
- Illumination experiments.
- Relay assembly test room experiment.
- Bank wiring test room experiment.
- Mass interview program.

13. What are the specific areas in needs of hierarchy based on Maslow's theory?

- Physiological needs
- Safety needs.
- Belonging and love needs.
- Esteem needs.
- Self-actualization needs.

14. What are the challenges of management?

- Changing employee expectations.
- Building organisational capabilities.
- Job design and organisational structures.
- Changing psychosocial system.
- Technological Changes.
- Changes in legal environment.

15. What is globalization?

All these policies measured clearly reflect the changing attitude of government towards business and commitment of government to integrate in to Indian economy with the world's economy is called globalisation.

16. Specify effects of globalisation.

- Industrial sector
- Financial Sector.
- Economic Effects.
- Information Technology.
- Competition.
- Culture.
- Technical Sector.
- Legal / Ethical Sector.

17. What is Multinational Corporation (MNC)?

“An enterprise which own or control production and service facilities outside the country in which they are based” is called MNC.

18. What are the characteristics of MNC?

- The MNC top manager regards the entire world as the relevant frame reference for making the kinds of resource acquisition, production and market identification.
- MNC reduces the unit cost by producing more units.
- MNC parent company and its foreign affiliates act in close alliance to cooperate with one another.

19. Mention any four advantages of MNC.

- The economy benefits from multiplier and linkage effects resulting from a better use of technology.
- MNC can promote quality products at lower cost. This benefits consumers.
- MNC helps to expand the markets. MNC has access to a much larger market for their product.
- MNC leads to increase in production for export and Import of the required inputs.