

BA5102: Principles of Management

Two Mark Questions & Answers

Unit-II

1. Define Planning.

Planning is the process of selecting objectives and determining the course of action required to achieve these objectives. Lot of information has to be gathered and processed before planning is formulated.

2. What are the objectives of planning?

- Planning is the primary function of an organisation.
- It helps in achieving objectives.
- It is done to cope which uncertainty and change.
- It helps in facilitating control.
- Planning increases organisational effectiveness.
- Planning guides in decision making.

3. Define objectives.

The term objectives or goals are often used interchangeably. Objectives are the aims, purposes or goals that an organisation wants to achieve over varying periods of time. Sometime, these objectives may be intangible to transfer into an action. But within the framework of general objectives, managers have time limits in which the organisation has to achieve them.

4. Define MBO in planning.

MBO is the process whereby superior and subordinate managers of an enterprise jointly identified its common goals, define each individuals' major areas of responsibility in terms of results of expected of him, and use these measures as guides for operating the unit and the contribution of each of its members is assessed.

5. List any four quantitative forecasting techniques:

- Jury of executive opinion
- Method Delphi method.
- Simple moving average.
- Waited moving average.

6. Explain the Delphi Technique.

The Delphi method makes use of a panel of experts, selected based on the areas of expertise required. The Delphi method is an exercising in group communication among the panel of geographically dispersed experts. The technique allows experts to deal systematically with a complex problem or task.

7. What do you mean by Strategy?

A strategy may also be defined as a special type of plan prepared for meeting the challenge posted by the activities of competitors and other environmental forces.

8. Give the three generic strategies by porter.

- A strategy is a contingent plan as it is design to meet the demands of a particular situation.
- Strategy relates an organisation to eats environment, particularly the external environment strategy decision, such as objective settings, actions and resources required to achieve objectives or primarily concerned with external forces.
- Strategy may involve contradictory action. For example, a manager may take an action today and may revise his action tomorrow due to changes in the situation.

9. Define planning premises.

Planning premises are the assumptions that should be made about the various element of the environment. It provides the basic framework in which plans operate. These may be internal or external. The internal premises include organisational policies, resources of the various types, sales forecast and the ability of the organisational withstand the environmental pressures. The external premises include the total factors in tack environment, such as political, social, technological, plans and action etc.

10. What is expected value of perfect information?

The expected value of perfect information is calculated by subtracting the expected value with existing information from expected value with perfect information.

11. Explain the term decision and decision making.

Decision making is defined as the process of choosing a course of action from among the alternatives to achieve a desired goal. It is the one of the functions of management and also a core process of planning. The management executive takes a number of decisions every day. Thus, decision maybe rational or irrational.

12. What are the techniques useful while evaluated alternative?

- Quantitative and Qualitative analysis
- Marginal Analysis.
- Cost effectiveness analysis.

13. Mention the different areas of an organisation towards objectives setting.

- Market standing
- Innovation
- Productivity
- Resources-Physical and Financial.

- Profitability.
- Manager performance and development.
- Worker performance, attitude and development.
- Public responsibility.

14. What are the advantages of planning?

- It helps in achieving objectives
- Better utilisation of resources
- Economy in operation
- It reduces uncertainty and risk.
- It improves competitive strength.
- It encourages motivation

15. Define policies.

Policies are general statement or understanding which provides guidance in decision making to various managers. To ensure uniform pattern of action. To simplify and speed up the process of decision making. It secured coordination of efforts and it improves the performance of subordinates.

16. Name any four quantitative forecasting techniques.

- Failure to teach the philosophy of MBO
- Failure to guidelines to goals setter
- Difficulty in setting goals
- Emphasise on short term goals.
- Danger of inflexibility.
- Time consuming
- Increase paper work.

17. List the steps in the decision-making process.

- Identification of problems.
- Diagnosis and analysis the problem
- Search for alternatives.
- Evaluations of alternative.
- Selecting an alternative
- Implementation and follow up.

18. To explain SMART objectives.

S	Specific	Ensure there is no ambiguity in the objectives-it has a specific outcome to be accomplish.
M	Measurable	Is there a form of Measurement in the objectives? If it cannot be measured, it will be difficult to asses
A	Achievable	It is actually possible to achieve the objectives given market conditions, time periods, resources allocated, etc.
R	Relevant	Does the objective meet the long-term activity of the SGB?
T	Time Bound	It means clearly stating when the objectives will be achieved.

19. What is operational plan?

An operational plan is one that a manager uses to accomplish his or her job responsibility. Supervisor, team leader and facilitators develop operational plan to support tactical plan. Operational plan can be single use plan or an on-going plan. Single use plans apply to activities that do not recur or repeat.

20. What is the importance of setting organisational objectives in a modern complex organisation?

Objectives features in all branches of management. They are one of the most basic and fund a potentially important tool of management. For setting the initial objectives all organisations have a formal, explicitly recognised legal specified organisation. In general, the overall objectives of the organisation are set by the top management.