

**Jagan Institute of Management Studies**  
**End-Term Examination, September-October, 2017**  
**Trimester I – PGDM 2017-19**

***Fundamental of Management***  
***ET\_PG\_FOM\_2609***

Time: 3 Hrs.

M. Marks: 70

**INSTRUCTIONS: Attempt any FIVE questions including Q1 & Q8 which are compulsory.**

- Q 1** Comment any **FOUR** parts from this Question:
- a) Taylor revolutionized management by creating guidelines for improving production efficiency.
  - b) MBO aims to increase organizational performance by aligning goals and subordinate objectives throughout the organization.
  - c) “The boundaryless organization has the potential to create a major shift in the way we work.”
  - d) The major advantage of more centralized system of management is said to be more control over decision making.
  - e) Motivation is the will to work due to enjoyment of the work itself
  - f) Simple organization structures create inadequacy in large organizations. **16**
- Q 2** Major number of motivation theories were developed in the United States by Americans and about Americans and they inherent mostly pro-American characteristics. These theories give strong emphasis on what is most visible because they aim at needs, goals and satisfaction. But in India, in a broader perspective particularly in the lower segment of employees in the organizational set up, the focus is on satisfaction of bare needs like “THAILI {MONEY}, “THALI {FOOD} and TAALI {RECOGNITION},” which leads to attainment of other needs.” Comment. **12**
- Q 3**
- a) With the availability of information technology that allows employees to work anywhere at any time, is organizing still an important managerial function? Why or why not?
  - b) Do you think it’s ethical for a prospective employer to delve into an applicant’s life by means of interviews, tests, and background investigations? What if those investigations involved looking at your Facebook page or personal blogs? Explain your position. **12**
- Q 4**
- a) The concept of organization structure design revolves around six basic

elements, work specialization. Unity of command, span of control, authority and responsibility, centralization and departmentalization. Explain the valuable insights these elements provide in designing efficient organization.

- b) In matrix structure, an employee who is working on a project may have two bosses. Does it result in ambiguity? 12

**Q 5** “The managerial function of controlling is the measurement and correction of performance in order to make sure that enterprise objectives and the plans devised to attain them are being accomplished. Planning and controlling are closely related. In fact, some writers on management think that these functions cannot be separated. It is wise to separate them conceptually, however, which is why they are discussed individually. Still, planning and controlling may be viewed as the blades of a pair of scissors; the scissors cannot work, unless there are two blades”. It is only the difference in angles. But both function to complement the attainment of organizational goal. Discuss with rational support of your contention. 12

**Q 6** Leadership is an important variable in organizational effectiveness. In many situations, it may contribute to explaining employee productivity, absence, turnover and satisfaction. But in other situations, it may contribute little towards the end. Discuss one leadership style model that supports the above statements. 12

- Q 7 a)** When do employees desire to have a say in decision making? Explain with suitable examples under what circumstances managers may adopt group decision making.
- b)** Decision making process at times looks to be quite simple, but more often than not it is not so, because managers at times tend to be intuitive than be analytical while making decisions. Why? Discuss with basic steps associated with the process to ensure that the decision made by the managers are supportive to the organizational goal. 12

**Q 8** [Read the case and answer the questions given at the end.](#)

#### LEADERSHIP - BOON OR BANE

BOOM beverages industry is an organization established in the year 2003 having its factory located in district Ghaziabad {U.P.} about 30 km from Delhi. The company employs about 1500 work force including operators, technicians, support staff and Managerial staff to manage and co-ordinate associated functions for the smooth flow of manufacturing its products as variety of Soft drinks under the franchise of Coca Cola. Shri Dharan, aged about 40 years, is the General Manager of the

company. He is basically an engineering graduate from IIT Kanpur, Besides this he is a certified consultant in TQM and SIX SIGMA. He has firm conviction on how best to manage people. In general terms, he believes that people respond best when the pressure is on them. He somehow does not believe in behavior dimension of managing people around working for the organization Shri Dharan has tremendous energy. He comes to work at 6.00 O'clock and stays late each evening. He works very hard and expects others to do the same. He is a stickler for details and often sends his managers running back from meetings to collect more facts. Face-to-face meetings with him are something like facing a test for your general knowledge from a crazy teacher. He has a very aggressive questioning style and feels irritated when he notices mistakes. He is proud of his belief that he can move heaven and earth to "fix" problems. Since he is good both in technical and financial matters, he tends to intervene as soon as he suspects a deficiency. He almost "pounces" to sort it out himself.

Whenever there is a problem to be solved, Shri Dharan likes to call all those involved together in one room, irrespective of rank or reporting relationships and forces the facts out on to the table. In order to bring out the truth, he adopts a very challenging style (such as, "I don't believe in you...", "You are lying..." "you are zero in your field..."). Such remarks are made out in public, often to senior managers in absence of their subordinates. What is more, Shri Dharan will even keep the group at it all night, if necessary, keeping aside other commitments. Eventually, he succeeds in solving the problems and also gets advance warning about other likely problems.

Mr. S.K.Sharma, the HR Head, is one who reports to the Mr. Shri Dharan and particularly resents his treatment meted out to employees. He finds it degrading for a man in his position and also feels that, as HR head, he must do something to change Shri Dharan's style of working as it is causing lot of stress in the mind . S.K.Sharma is seriously concerned about the effects of Shri Dharan's behavior affecting the work environment in the factory. He feels that, if no CHANGE is initiated now there is every possibility that many competent employees may start leaving the organization He notices that his colleagues are showing signs of emotional stress coupled with fatigue visible from the face of many managers; they are putting in enormously long hours of work and at times without any weekly off. They have become more competitive, though out of fear of being criticized, towards each other and less co-operative. Their preoccupation with Shri Dharan has reached absurd proportions. They spend lots of unproductive time talking about Shri. Dharan in his absence and trying to anticipate "his next move."

Another alarming effect of Shri Dharan`s behavior is that senior managers spend long hours, getting too much details right, so that Shri. Dharan probing will not catch them out. Managers who are previously willing to delegate, are now less inclined to do so. They feel the only right way is to do things themselves. The managers thus spend all their time on day-to-day issues and are not inclined to do any Strategic planning.

Furthermore Mr. Sharma has observed that the managers are less willing to accept mistakes that they make due to pressure on them. They try more to contain the problems, conceal them from Shri. Dharan`s to escape his heat and humiliation. It has resulted in a typical tendency amongst managers MORE TO MANIPULATE THAN TO ARTICULATE THE SITUATION.

Surprisingly, Shri Dharan has complained to S.K.Sharma that too many managers are “fire-fighting” instead of doing what they are paid to do so, that is “to think and plan” , what needs to be changed He told S.K.Sharma that he could not understand “why people don’t realize that conflict management is nothing but stimulating alternative courses of action? What I really want is for them to go back, think again and tell me about it.” Mr. S.K.Sharma feels that time is now right to initiate CHANGE process in the organization before the situation gets out of gear and land the organization in crisis.

### Questions:

- a) Put yourself in the role of S.K.Sharma (H.R. Head), how would you analyse and explain Shri Dharan’s style of problem solving and leadership?
- b) What are the symptoms of problems in decision making style of the boss in the above case? Where do you think preventive steps should have been taken by the H.R. Head to avert the present crises?
- c) What options do you now have to remedy the situation? Which option would you choose? Why? Give logic with example to ensure healthy work environment.

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