

M.Com. I Semester**Paper Title: Management Concepts & Principles****Paper Code: AU-6383**

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Note: These model answers are a depiction of important points which, an examinee must have to mention, to secure high marks in particular question. The length of the answer may vary as per the examinee's understanding, interpretation, and his/her ability to comprehend the content.

Section – A (Short Answer Type Questions)**1. (i) Management a Science or an art:**

Management is a science as well as an art. In general, a science is a branch of knowledge dealing with a body of facts systematically arranged and showing the operation of general rules. Management has become a well-established science by now. The managerial rules, principles, laws and behaviour have been developed on the basis of actual experiments and which are of universal application.

On the other hand, an art is a skilful application of the knowledge under specific circumstances. Since managerial principles have to be applied in different complex and dynamic situations, management certainly comes under the category of an art.

(ii) POSDCORB:

It was Luther Gullick who coined the term 'POSDCORB' to represent different management functions viz., planning, organising, staffing, directing, coordinating, reporting, and budgeting.

(iii) Esprit de Corps:

This is one of the fourteen principles of Management. This principle states that 'Union is strength', and emphasises on team-spirit. Fayol described this principle that an organisation can succeed only by means of collective effort in a team spirit.

(iv) Limitations of Scientific Management:

The biggest limitation of Scientific management is that it treated man as machine and avoided the human relations approach in management. The

routine task, routine motion, least chance for innovation, and robot-like functioning are the greater limitations of scientific management.

(v) Contingency Approach:

Contingency approach is the latest management concept in this discipline. According to contingency approach there can be no pre-conceived plans, structures, leadership styles, motivation techniques or control device which will fit in all the situations.

(vi) Strategic Planning:

Strategic planning is done by top level managers for determining or changing organisational ends and means. It commits the organisation for a long period, say 10 to 15 years. It requires a thorough study and analysis of environmental factors, organised foresight, a vision based on facts, experience and reflective thinking on the part of managers.

(vii) Types of organisation on the basis of objectives:

There are six major types of organisations on the basis of objectives. These are:

- (a) Profit organisations
- (b) Government organisations
- (c) Protective organisations
- (d) Service organisations
- (e) Religious organisations, and
- (f) Social organisations

(viii) Span of Management:

The concept of Span of Management refers to the number of subordinates working under the direct control and supervision of a single manager. V. A. Graicunas has formulated a mathematical relationship to identify span of management. It is given as,

$$\text{Number of relationships} = n \left(\frac{2^n}{2} + n - 1 \right)$$

Where, n = number of subordinates

For ex.: If a manager has to direct 2 subordinates, from this equation, he has to handle actually 6 different relationships. As the number of subordinate increases to 10 subordinates, number of relations becomes

5,210. It shows that even by a slight increase in the number of subordinates, the actual number of relations increases rapidly.

(ix) Principles of Direction:

Some of the below mentioned principles must be given in the answer:

- (i) Harmony of objectives
- (ii) Unity of command
- (iii) Maximum individual contribution
- (iv) Direct supervision
- (v) Appropriateness of direction technique
- (vi) Effective Communication
- (vii) Comprehension
- (viii) Flow of information
- (ix) Leadership
- (x) Use of informal organisation
- (xi) Follow up

(x) Planning is an empty exercise without controlling:

Planning is the starting point of controlling and, on the other hand, the control is the basis for new planning and adjustment in planning. Corrective action may involve some changes in planning. The control always leads to a new planning. So, there is a great need of properly utilising controls for the purposes of new planning and adjustment in planning.

Section – B (Long Answer Type Questions)

2. Modern concept of management and difference between management and administration:

The examinee has to explain about modern concept of management and that, it is more a functional concept now than any trial and error judgment of earlier era.

Then examinee needs to point out some of its significance for modern organisations.

Finally, there should be explanation of all the three schools of management regarding management and administration.

3. Scientific Management: Salient features and shortcomings

By starting with a little about what is scientific management and who propounded it, examinee should explain some salient features of it viz., planning and setting task standards for workers before doing the operations; separation of planning function from doing functions; application of scientific methods to managerial problems; scientific selection; differential piece rate system, etc.

Thereafter, examinee needs to explain some of its weakness like, considering man as machine having no emotions, less inclination towards human psychology etc.

4. “Absence of planning.....”:

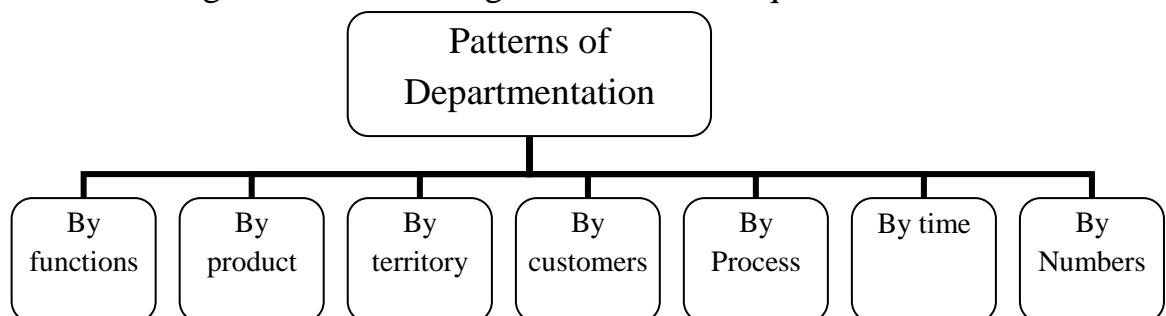
Planning is the utmost essential part for any action. When planning is being done for management of any organisation, it is broadly called as managerial planning.

The examinee should discuss two or three definitions of planning given by different management thinkers and then should emphasise upon the need of planning in all types of organisations. Some suggested points are:

- (i) Ensures the best course of future activities
- (ii) Minimises uncertainties and risks
- (iii) Brings unity in thought and action
- (iv) Brings economies
- (v) Provides a basis for other managerial functions
- (vi) Increases adaptability to the changing environment
- (vii) Improves human behaviour, etc.

5. Patterns of departmentation with their relative scope and importance:

The examinee should provide following patterns of departmentation with their advantages and disadvantages to answer this question:



6. Factors determining degree of decentralisation:

After explaining about decentralisation, the faculty members should explain about the factors determining degree of decentralisation. Some important factors are:

- (i) Significance of a decision
- (ii) Desire for uniformity
- (iii) Economic size
- (iv) Decentralisation of performance
- (v) Business Dynamics
- (vi) History of the enterprise
- (vii) Desire for independence, etc.

7. Matrix Organisation:

The examinee should detail about the matrix organisation that it is the modern form of business organisation in an enterprise. By providing a schematic diagram, examinee should explain his/her answer.

Pooling of talent, Lateral coordination, greater participation, are some of the important advantages; while, role ambiguity, overburdened with work, overlapping in authority and responsibility etc. can be suggested as its disadvantages.

8. Co-ordination and its importance:

The examinee should define co-ordination as the last yet integral part of the management. The examinee can make use of different definitions to support his/her answer like, according to Fayol, “to co-ordinate is to harmonise all the activities of a concern in order to facilitate its working and its success.”

Following points with proper explanation can be suggested as importance of co-ordination function:

- (i) It promotes efficiency
- (ii) Helps in maintaining unity of command
- (iii) Subordinates individual interest to general interest
- (iv) Enhances morale of employees
- (v) Avoids cross-purpose working, wastages, delays etc.

Answers with suitable examples shall be considered better than the others with no or improper examples.

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