

Short Answer Type

Question 1. How is principle of unity of command useful to management?

Answer - One subordinate and one boss. Aims at avoiding duplication, overlapping and confusion & five responsibilities. If this principle is violated, it will lead to

1. it will be very difficult to maintain discipline
2. duplication of work
3. over – lapping of orders and instructions
4. disobeying the orders of superiors
5. escaping responsibility
6. disrespect to the work and officers

Question 2. Define scientific management. State any three of its principles.

Answer - Scientific management means knowing exactly what you want men to do and seeing that they do it in best and cheapest way. Three of its principles are

1. Science not Rule of Thumb
2. Harmony, Not discord
3. Cooperation Not Individualism

Question 3. If an organisation does not provide the right place for physical and human resources in an organisation, which principle is violated? What are the consequences of it?

Answer - Principle of order is violated here. According to this principle, people and material must be in suitable places at appropriate time for maximum efficiency. If this principle is violated it leads to chaos and delay in work.

Question 4. Explain any four points regarding significance of Principles of management.

Answer - The study of principles of management is important due to the following reasons:

1. Optimum utilisation of resources & effective administration: The principles of management serve as a guideline for doing work with greater efficiency. It helps managers to take a more realistic view of different managerial problems and to direct human behavior effectively.
2. Fulfilling social responsibility: The principles of management advocate fulfillment of social responsibilities by corporate. It induces companies to take care of customer satisfaction, environment as well as fair dealings with business associates.
3. Meeting changing environment requirement: The principles of management help the managers in adapting to the dynamic business environment.
4. Management training, education and research: The principles of management provides conceptual framework for systematic training and development of future managers.

Question 5. Explain the principle of 'Scalar chain' and gang plank.

Answer - Principle of scalar chain:

This principle states that there is a proper chain of authority and responsibility which moves in a straight line from the superior most authority down to the lowest subordinate. Under this chain or line of authority, each communication moves from top to lower level and vice versa. One important consideration here is that no step has to be overlooked or skipped. Fayol has explained this principle with the help of the double chain.

To avoid the consequential delay in case of an urgent message, Fayol suggested the concept of 'GANG PLANK'. Sometimes the official scalar chain is compromised to communicate for urgent matters. This is done through gang plank.

Long Answer Type

Question 1. Explain the principles of Scientific management given by Taylor.

Answer - The scientific principles are:

1. Science, not rule of thumb – According to this principle, Taylor insists that each job to be performed in the organisation should be based on scientific enquiry and not on intuition, experience, and hit and trial method. Taylor believed that there was only one best method to maximise efficiency and this method can be developed through study and analysis.
2. Harmony, not discord – According to this principle, those who work together in an organisation must work in harmony, i.e., with mutual give and take, and proper understanding. He insists that there should be mental revolution between management and workers. As per him, management should share the gains of the company, if any, with the workers and at the same time workers should work hard for the prosperity of the company.
3. Cooperation, not individualism – According to this principle, work must be carried on in cooperation with each other, with mutual confidence and understanding for each other. There should be complete cooperation between the labour and the management instead of individualism. Competition should be replaced by cooperation. Workers should be part of the management and, if any important decisions are taken, workers should be taken into confidence. At the same time, workers should avoid making unreasonable demands on the management.
4. Development of workers to their greatest efficiency and prosperity – Taylor believed that efficiency needs to originate right from the process of employee selection. Each person should be scientifically selected. Then work assigned should suit her/his physical, mental and intellectual capabilities.

Question 2. Explain the following Principles of management given by Fayol with examples:

1. Unity of direction.
2. Equity
3. Espirit de corps.
4. Order
5. Centralisation and decentralisation.
6. Initiative

Answer -

1. Unity of direction: According to this principle, each group of activities having the same objective must have one head and one plan .
2. Equity: This principle suggests that managers should be fair and impartial while dealing with their subordinates.
3. Espirit de corps: The principle of Espirit De Corps says that management should promote team spirit of unity and harmony among employees. Management should promote teamwork especially in large organisations.
4. Order: According to this principle, people and material must be in suitable places at appropriate time for maximum efficiency. If this principle is violated it leads to chaos and delay in work.
5. Centralisation and decentralisation: Fayol's principle of centralisation and decentralisation confirms that there should be a proper balance between centralisation and decentralisation. Too much centralisation would delay key decisions and too much decentralisation would create chaos and disorder in the organisation.

6. Initiative: The successful management provides an opportunity to its employees to suggest their new ideas, experiences and more convenient methods of work. So according to this principle, it is the duty of the manager to encourage the feeling of initiative among the employees for doing some work or taking some decisions but within the parameters of authority and discipline.

Question3. Explain the technique of functional foremanship and the concept of mental revolution as enunciated by Taylor.

Answer - Functional Foremanship: Taylor propounded functional organisation. This form of organisation is totally based on principle of specialisation and makes full utilisation of expertise of various experts. In a functional organisation, work is divided into small parts and each part is assigned to expert. Mental revolution: It suggests change in the attitude of workers and management towards one another, from competition to co-operation.

Question4. Discuss the following techniques of Scientific Work Study:

1. Time Study.
2. Motion study.
3. Fatigue Study.
4. Method Study.
5. Simplification and standardisation of work.

Answer -

1. Time study: It is one of the techniques of management, suggested by F W Taylor, that is used to measure the time that may be taken by a workman of reasonable skill and efficiency to perform various elements of job
2. Motion study: It refers to the study of movements like lifting, putting objects, sitting, changing positions etc. that are undertaken while doing a typical job. Its purpose is to eliminate the unnecessary movements so that job can be completed in less time. As per him, it is possible to find out -
 1. Motions that are productive (i) Motions that are incidental
 2. Motions that are unproductive Taylor used stop watches and various symbols and colours to identify different motions.

Through this study, Taylor designed suitable equipments and tools to educate workers on their use.

1. Fatigue study: It determines the amount and frequency of rest intervals in completing a task. As per Taylor, a person is bound to feel tired, physically and mentally, by working continuously. The rest intervals will help one to regain stamina and work again with the same capacity for increased productivity.

Taylor suggested that time period and frequency of the rest interval should be decided by conducting scientific approach.

1. Method study: The objective of method study is to find the one best way of doing a job. The objective is to minimise the cost of production and to maximise satisfaction.
2. Simplification and standardisation of work: Scientific method should be used to analyse methods of production prevalent under rule of thumb. Standardisation is the process of setting standards for every business activity, with the aim of reducing a given product to fixed types, sizes, characteristics.

Question5. Discuss the differences between the contributions of Taylor and Fayol.

Answer -

Basis

Taylor

Fayol

Perspective

Taylor started his

Fayol started

studies and

his studies and

approach from

approach from

lowest level in the

the highest

organisation.

level in the

organisation.

Focus

Focuses on

Focuses on

eliminating

development of

wasteful

principles for

movements and

better

saving energy of

management

workers



Concern

Taylor's

Fayol's

techniques and

principles are

principles are

concerned with

concerned with

management

worker's

efficiency.

efficiency.

Applicability

Taylor's

Fayol's

techniques and

principles are

principles are

universally

applicable to

applicable.

specialised

situation.

Personality

Taylor developed a

Fayol developed

personality of

the personality

scientist and

of a researcher

became famous as

and practitioner



	Father of Scientific	and became
	Management.	famous as
		Father of
		General
		Management.
Contribution	Major contribution	Main
	was development	contribution
	of scientific	was
	techniques and	development of
	scientific principles	fourteen
		principles of
		general
		management

Question6. Discuss the relevance of Taylor and Fayol's contribution in the contemporary business environment.

Answer - Principles of Taylor and Fayol play an important role in contemporary business environment. They aim at establishing a cause & effect relationship. They provide general guidelines to action and not ready made solution to management problems. Managers can help them in taking decisions and solving problems. They provide are developed over time by experiments and observations. These principles aim at improving efficiency and also emphasis on coordination and harmonious environment to work. They also provide insight into different business situations.

Multiple Choice :

Question1. Principles of management are not

Answer - c) absolute.

Question2. How are principles of management formed?

1. In a laboratory.
2. By experiences of managers.
3. By experiences of customers.
4. By propagation of social scientists.

Answer - b) By experiences of managers.

Question3. The principles of management are significant because of

1. Increase in efficiency.
2. Initiative
3. Optimum utilisation of resources.
4. Adaptation to changing technology.

Answer - c) Optimum utilisation of resources.

Question4. Henry Fayol was a

1. Social Scientist.
2. Mining Engineer.
3. Accountant
4. Production engineer.

Answer - b)Mining Engineer.

Question5. Which of the following statement best describes the principle Division of Work.'

1. Work should be divided into same tasks.
2. Labour should be divided
3. Resources should be divided among jobs.
4. It leads to specialisation.

Answer - a) Work should be divided into same tasks.

Question6. She/ he keeps machines, materials, tools, etc., ready for operations by concerned workers.' Whose work is describes by this sentence under functional foremanship

1. Instruction Card Clerk.
2. Repair Boss.
3. Gang Boss.
4. Route Clerk.

Answer - c) Gang boss.

Question 7. Which of the following is NOT a Principle of management given by Taylor?

1. Science, not rule of the Thumb.
2. Functional foremanship.
3. Maximum not restricted output.
4. Harmony not discord.

Answer - b) Functional foremanship.

Question 8. Management should find 'One best way' to perform a task. Which technique of Scientific management is defined in this sentence?

1. Time Study
2. Motion Study
3. Fatigue Study
4. Method study.

Answer - d. Method Study.

Question 9. Which of the following statements best describes 'Mental Revolution'?

1. It implies change of attitude.
2. The management and workers should not play the game of one upmanship.
3. Both management and workers require each other.
4. Workers should be paid more wages.

Answer - a) It implies change of attitude.

Question 10. Which of the following statements is FALSE about Taylor and Fayol?

1. Fayol was a mining engineer whereas Taylor is a mechanical engineer.
2. Fayol's principles are applicable in specialised situations whereas Taylor's principles have universal application.
3. Fayol's principles were formed through personal experience whereas Taylor's principles were formed through experimentation.
4. Fayol's principles are applicable at the top level of management whereas Taylor's principles are applicable at the shop floor.

Answer - b) Fayol's principles are applicable in specialised situations whereas Taylor's principles have universal application.

Case Studies:

Question 1. 'F' limited was engaged in the business of food processing and selling its products under a popular brand. Lately the business was expanding due to good quality and reasonable prices. Also with more people working the market for processed food was increasing. New players were also coming to cash in on the new trend. In order to keep its market share in the short run the company directed its existing workforce to work overtime.

But this resulted in many problems. Due to increased pressure to work the efficiency of the workers declined. Sometimes the subordinates had to work for more than one superior resulting in declining efficiency. The divisions that were previously working on one product were also made to work on two or more products. This resulted in a lot of overlapping and wastage. The workers were becoming undisciplined. The spirit of teamwork, which had characterised the company, previously was beginning to wane. Workers were feeling cheated and initiative was declining. The quality of the products was beginning to decline and market share was on the verge of decrease.

Actually the company had implemented changes without creating the required infrastructure.

Questions:

1. Identify the Principles of Management (out of 14 given by Henry Fayol) that were being violated by the company.
1. Explain these principles in brief.
1. What steps should the company management take in relation to the above principles to restore the company to its past glory?

Ans.

1. Principle of division of work: This is evident from the lines: 'divisions that were previously working on one product were also made to work on two or more products.'
2. Principle of Esprit de corps: This is evident from lines: 'The spirit of teamwork, which had characterised the company, previously was beginning to wane.'
3. Principle of Discipline: This is evident from line: 'The workers were becoming undisciplined.'
4. Principle of initiative: This conclusion can be drawn from the lines: 'Workers were feeling cheated and initiative was declining.'
5. Principle of division of work: This principle of Fayol states that as far as possible the work should be divided into different parts and each individual should be assigned only one part of the work according to his ability and capability. When a particular individual will do the same work repeatedly, he will become an expert in doing that particular task and hence benefits of specialisation will be achieved.
6. Principle of Esprit de corps: management principles suggested by Fayol states the need for unity among employees. Esprit de corps states that unity is strength.
7. Principle of Discipline: states that there should be obedience, proper conduct in relation to others, respect of authority and complying with the rules and regulations of the organisation
8. Principle of initiative: Fayol's principle of initiative recommends that workers should be encouraged to develop new ideas and suggestions for the betterment of the organisation.

3. Steps should the company management take in relation to the above principles to restore the company to its past glory are:

1. Specialisation in work must be followed.
2. Instructions must be given by one superior only to avoid confusion and chaos.
3. More focus should be on team work.
4. Scientific management must be followed.

Question 2. The management of company 'F' Limited now realised its folly. In order to rectify the situation it appointed a management consultant 'M' consultants to recommend a restructure plan to bring the company back on the rails. 'M' consultants undertook a study of the production process at the plant of the company 'F' Limited and recommended the following changes:

1. The company should introduce scientific management with regard to production.
2. Production, planning including routing, scheduling, dispatching and feedback should be implemented.
3. In order to separate planning from operational management 'Functional foremanship' should be introduced.
4. Work study must be undertaken to optimise the use of resources.
5. Standardisation of all the activities must be implemented increase efficiency and accountability.
6. To motivate the workers 'Differential Piece Rate System' should be implemented.
7. The above changes should be introduced apart from the steps recommended in case problem-I (as an answer to question no 3 of that case problem)

It was expected that changes will bring about a radical transformation in the working of the company and it will regain its pristine glory.

Questions:

Q1. Do you think that introduction of scientific management as recommended by M consultants will result in intended outcome?

Q2. What precautions should the company undertake to implement the changes?

Give your answer with regard to each technique separately as enunciated in points 1 through 6 in case problem.

1. Yes, introduction of scientific management as recommended by M consultants will be helpful to the organisation. On implementing scientific management, the work will be simplified and standardised. Motivation and work study will help in reducing cost and increasing profits.
2. Precautions should the company undertake to implement the changes are:

planning should be done for production process.

Standardisation should be used in different situations.

Qualified, trained and specialised staff shall be recruited.

Different methods of motivation shall be used to encourage the employees.