SNS COLLEGE OF TECHNOLOGY

(An Autonomous Institution)
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19MEE312 - PRINCIPLES OF MANAGEMENT

UNIT I
INTRODUCTION TO MANAGEMENT

1. Define Management
Management is the process of designing and maintaining an environment in which individuals, working together in groups efficiently to accomplish selected aims.

2. List out the various objectives of Management.
- ✓ Getting Maximum Results with Minimum Efforts
- ✓ Increasing the Efficiency of factors of Production
- ✓ Maximum Prosperity for Employer & Employees
- ✓ Human betterment & Social Justice
- ✓ Reduces Costs
- ✓ Establishes Equilibrium
- ✓ Establishes Sound Organization

3. List out the importance of Management.

- ✓ Improves Understanding
- ✓ Direction for Training of Managers
- ✓ Guide to Research in Management

4. List out the characteristics of Management

- ✓ Management is an activity
- ✓ It applies economic principles
- ✓ It is an integrating process
- ✓ It is an interdisciplinary approach
- ✓ It is dynamic not static

5. Distinguish between Management and Administration

Attributes	Management	Administration
Definition	Art of getting things done through others by directing their efforts towards achievement of pre-determined goals.	Formulation of broad objectives, plans & policies.
Nature	executing function, doing function	decision-making function, thinking function
Usage	Used in business enterprises.	Popular with government, military, educational, and religious organizations.
Influence	Decisions are influenced by the values, opinions, beliefs and decisions of the managers.	Influenced by public opinion, government policies, customs etc.
Abilities	Handles the employees.	Handles the business aspects such as finance.

6. List out the various levels of Management.

- ✓ Top-Level Management
- ✓ Middle-Level Management
- ✓ Lower – Level Management

7. Explain the part of Top Management

- ✓ Top management lays down the objectives and broad policies of the enterprise
- ✓ The top management is also responsible towards the shareholders for the performance of the enterprise.
- ✓ Controls & coordinates the activities of all the departments
- ✓ Prepares strategic plans & policies for the enterprise

8. List down the functions of Middle Level Management

- ✓ They execute the plans of the organization in accordance with the policies and directives of the top management.
- ✓ They make plans for the sub-units of the organization.
- ✓ They participate in employment & training of lower level management.
- ✓ They evaluate performance of junior managers.
- ✓ They are also responsible for inspiring lower level managers towards better performance.

9. What are the functions of Lower Level Management?

- ✓ Assigning of jobs and tasks to various workers.
- ✓ They guide and instruct workers for day to day activities.
- ✓ They are responsible for the quality as well as quantity of production.
- ✓ They prepare periodical reports about the performance of the workers.
- ✓ They ensure discipline in the enterprise.
- ✓ They motivate workers.

10. What are the functions of Management?

- ✓ Planning
- ✓ Organizing
- ✓ Staffing
- ✓ Directing
- ✓ Controlling

11. List out the types of Managers
- ✓ Authoritarian Manager
- ✓ Democratic Manager
- ✓ Paternalistic manager
- ✓ Laissez Faire Manager

12. Define Authoritarian Manager

✓ **Authoritarian Manager** is one who is the sole decision maker for his management unit and prefers his subordinates to perform their tasks exactly as outlined by him.

This type of manager makes work easier for the employee as the latter knows exactly what is expected of him/her and the way in which the task is to be performed.

13. Define Democratic Manager

✓ **Democratic Manager** is that person who believes in majority consensus and takes any decision only after consulting his/her subordinates.

This type of manager displays participative management style by allowing his subordinates' participation in the decision-making process.

14. Define Paternalistic Manager

✓ **Paternalistic manager** is the one who acts like a parent figure to his subordinates and makes sure to regularly bond with his subordinates to listen to their professional issues and lend a helping hand to ease their operational difficulties.

15. Define Laissez Faire Manager

✓ **Laissez Faire Manager** communicates the tasks to be performed by his subordinates and sets targets and deadlines for the completion of such tasks.

16. List down the Role of Managers
✓ Interpersonal Roles
✓ Informational Roles
✓ Decision Roles

17. List out the evolution of Management Thoughts
✓ Pre-Scientific Management Era (before 1880)
✓ Classical management Era (1880-1930)
✓ Neo-classical Management Era (1930-1950)
✓ Modern Management era(1950-on word)

18. What is Scientific Management?

Scientific Management is an art of knowing exactly what you want your men to do and seeing that they do it in the best and cheapest way.

19. What are techniques of Scientific Management?
✓ Time Study
✓ Motion Study
✓ Standardization
✓ Differential Piece Wage Plan

20. What is Time Study?

✓ It is a technique which enables the manager to ascertain standard time taken for performing a specified job.
✓ This technique is based on the study of an average worker having reasonable skill and ability.

21. What is Motion Study?

✓ Motion Study observes movement of body and limbs required to perform a job are closely observed.
✓ It refers to the study of movement of an operator on machine involved in a particular task.
✓ Motion study increases the efficiency and productivity of workers by cutting down all wasteful motions.

22. What is Differential Wage Plan?

✓ This system is a source of incentive to workers who improving their efficiency in order to get more wages.
✓ It also encourages inefficient workers to improve their performance and achieve their standards.
✓ It leads to mass production which minimizes cost and maximizes profits.

23. What is Bureaucratic Organization?

✓ There is a high degree of Division of Labor and Specialization.
✓ There is a well-defined Hierarchy of Authority.
✓ It follows the principle of Rationality, Objectively and Consistency.
✓ There are Formal and Impersonal relations among the member of the organization.
✓ Interpersonal relations are based on positions and not on personalities.

24. Define Sole Proprietorship

✓ Business is owned and run by one person only. Even though he can employ people, he is still the *sole trader* of the business.

25. List out the Merits and Demerits of Partnership
Merits:

✓ More **capital** than a sole trader.
✓ **Responsibilities** are **split**.
✓ Any **losses** are **shared** between partners.

Demerits:

- ✓ **Unlimited liability**.
- ✓ No **continuity**, no **legal identity**.
- ✓ Partners can **disagree** on decisions, slowing down decision making.
- ✓ If one partner is **inefficient** or **dishonest**, everybody loses.

26. What is Private Limited Company?

Private Limited Companies have separate legal identities to their owners, and thus their owners have limited liability. The company has continuity, and can sell shares to friends or family.

27. What is Organization Culture?

- ✓ Organizational culture is the behavior of humans within an organization and the meaning that people attach to those behaviors.
- ✓ Culture includes the organization's vision values, norms, systems, symbols, language, assumptions, beliefs, and habits.

28. List out the importance of Organization Culture.

- ✓ The culture decides the way employees interact at their workplace
- ✓ The culture of an organization represents certain predefined policies which guide the employees and give them a sense of direction at the workplace
- ✓ Work culture goes a long way in creating the brand image of the organization.
- ✓ Work culture unites the employees who are otherwise from different back grounds
- ✓ The work culture promotes healthy relationship amongst the employees
- ✓ Culture of the organization which extracts the best out of each team member

29. List down the types of Organization Culture

- ✓ Clan culture
- ✓ Adhocracy culture
- ✓ Market oriented culture
- ✓ Hierarchy culture

30. Outline the fourteen principles of Henry Fayol.

- ✓ Division of Labor
- ✓ Party of Authority & Responsibility
- ✓ Unity of command
- ✓ Unity of Direction
- ✓ Equity
- ✓ Order
- ✓ Discipline
- ✓ Initiative
- ✓ Fair Remuneration

- ✓ Stability of Tenure
- ✓ Scalar Chain
- ✓ Sub-Ordination of Individual Interest to General Interest
- ✓ Espirit De' Corps
- ✓ Centralization & De-Centralization

31. What is Scalar Chain?

- ✓ The chain of superiors ranging from the ultimate authority to the lowest.
- ✓ Every orders, instructions, messages, requests, explanation etc. has to pass through Scalar chain.

32. What is Espirit De' Crops?

- ✓ It refers to team spirit i.e. harmony in the work groups and mutual understanding among the members.
- ✓ Spirit De' Corps inspires workers to work harder.

33. What is Centralization?

- ✓ Centralization means concentration of authority at the top level.
- ✓ It is a situation in which top management retains most of the decision making authority.

34. What is De-Centralization?

- ✓ Decentralization means disposal of decision making authority to all the levels of the organization.
- ✓ It means sharing authority downwards from top to bottom management.

35. List down the types of Business Firms.

- ✓ Sole Proprietorship
- ✓ Public Limited Company
- ✓ Private Limited Company
- ✓ Partnership

36. What is meant by Organization Values?

- ✓ Organization values may be guiding principles of behavior for all members in the organization.
- ✓ Values reflect what is important in the organization
- ✓ It may be stated on the organization's website.

37. List out the visible elements of organization culture.

- ✓ Artifacts
- ✓ Stories, histories, myths, legends, jokes
- ✓ Rituals, rites, ceremonies, celebrations
- ✓ Heroes
- ✓ Symbols and symbolic action
- ✓ Beliefs, assumptions and mental models
- ✓ Attitudes
- ✓ Rules, norms, ethical codes, values

38. List down the invisible elements of organization culture.

- ✓ Organizational Values
- ✓ Organizational Beliefs
- ✓ Organizational Norms

39. What is Organization Environment?

Organizational environment is a set of forces and conditions, such as technology and competition, that are outside the organization's boundaries and have the potential to affect the way the organization operates and the way managers engage in planning and organizing.

40. List out the types of Organization Environment

- ✓ Task Environment
- ✓ General Environment

41. What is task environment?

Task Environment of an organization is the environment which directly affects the organization from attaining business goals.

42. List out the Factors responsible for task environment.

- ✓ Suppliers
- ✓ Distributors
- ✓ Customers
- ✓ Competitors

43. What is General environment?

- ✓ General environment or mega environment is an important segment of external environment.

✓ It refers to the broad trends and conditions in the societies within which an organization operates.

44. List down the major Elements and Forces of General Environment

✓ Economic forces
✓ Technology forces
✓ Socio-cultural forces
✓ Political-legal forces
✓ International forces

45. List out the Factors of Internal Environment

✓ Owners
✓ Board of Directors
✓ Employees
✓ Physical Environment
✓ Culture

46. What is Multi-national Corporation?

✓ Multinational corporations (MNCs) are business entities that operate in more than one country.
✓ Normally functions with a headquarters that is based in one country, while other facilities are based in locations in other countries.

47. List out the Features of Multinational Corporation.

✓ Worldwide operation
✓ Create maximum operation
✓ Advanced Technology
✓ High Efficiency
✓ Monopolistic Market
✓ Product / Service Organization

48. List down the Reasons why companies become multi-national.

✓ To increase market share
✓ To secure cheaper premises and labor
✓ To avoid tax or trade barriers
✓ Government grants

49. List out the Types of Multi-national Corporations

✓ Ethnocentric companies
✓ Polycentric companies

- ✓ Regio-centric companies
- ✓ Geo-centric / global companies

50. Outline Strategies for performing global business.

- ✓ Exporting and Importing
- ✓ Franchising
- ✓ Joint-ventures
- ✓ Licensing
- ✓ Manufacturing in Foreign country
- ✓ Consultancy Services
- ✓ Mergers
- ✓ Counter-trade

UNIT II
PLANNING

1. Define Planning.

Planning is a process to develop a strategy to achieve desired objectives, to solve problems, and to facilitate action.

2. List out the Features of Planning

- ✓ Focuses on Achieving Objectives
- ✓ It is Primary Function of Management
- ✓ It is Pervasive
- ✓ It is Continuous
- ✓ It is Futuristic
- ✓ Involves Decision Making
- ✓ It is a Mental Exercise

3. What is the Importance of Planning?
- ✓ Provides Direction
- ✓ Reduces Risks of Uncertainty
- ✓ Reduces Overlapping and Wasteful Activities
- ✓ Promotes Innovative Ideas
- ✓ Facilitates Decision Making
- ✓ Establishes Standards for Controlling

4. List out the types of Planning
- ✓ Corporate Planning
- ✓ Strategic Planning
- ✓ Operational or Tactical Planning
- ✓ Proactive Planning
- ✓ Reactive Planning
- ✓ Formal and Informal Planning
- ✓ Automated Planning

5. What is Strategic Planning?
Strategic Planning is process of deciding on the objectives of the organization, on changes on these objectives and on the policies that are to govern the acquisition, use and disposition of these resources.

6. What is Operational Planning?
Operational planning is the process of deciding, the most effective use of the resources already allocated and to develop a control mechanism to assure effective implementation of the actions so that organizational objectives are achieved.

7. Distinguish between formal and informal planning.

- ✓ **Formal Planning** exists in the formal hierarchy of the organization and is always carried out in the stepwise process
- ✓ **Informal Planning** is usually carried out in very small organizations where the formal organization structure may or may not exist.

8. List out the Steps in Planning Process.

- ✓ Determination of the objectives
- ✓ Collection and forecasting of Information
- ✓ Development of planning premises
- ✓ Discovering alternative courses of action
- ✓ Selection of best alternative
- ✓ Formulation of derivative plans
- ✓ Communicating the plan
- ✓ Follow up measures

9. Define Objectives.

- ✓ Objectives may be defined as the goals which an organization tries to achieve.
- ✓ Objective is a term commonly used to indicate the point of a management program
- ✓ Objectives are the goals, aims or purposes that organizations wish to achieve over varying periods of times
- ✓ Objectives decide where we want to go, what we want to achieve and next what is our destination.

10. What is meant by MBO?

Management by Objectives (MBO) is a process in which a manager and an employee agree upon a set of specific performance goals, or objectives, and jointly develop a plan for reaching them.

11. List down the Features of MBO.

- ✓ Superior-subordinate participation
- ✓ Joint goal-setting
- ✓ Joint decision on methodology
- ✓ Makes way to attain maximum result
- ✓ Support from superior

12. Outline the Steps in MBO.

- ✓ Collectively fixing objectives
- ✓ Collectively making a plan
- ✓ Subordinates implements the plan
- ✓ Collectively monitoring performance

13. Define Policy

- ✓ Policies are general statements or understandings which guide or channel thinking in decision-making of subordinates.
- ✓ Policies are guides to action. They provide abroad guideline as to how the objectives of an organization are to be achieved.

14. List out the features of good policy.

- ✓ Policy is formulated through the various steps in the decision-making process.
- ✓ Policy can be interpreted from the behavior of the top management.
- ✓ Policy provides guidelines to the members of the organization for choosing a particular course of action.

15. Classification of Policies.

- ✓ Top management policies
- ✓ Upper middle management policies
- ✓ Middle management policies
- ✓ Foremen policies
- ✓ Sales policies
- ✓ Production Policies
- ✓ Research policies

16. Outline the Steps in Policy Formulation

- ✓ Establish need for a policy
- ✓ Develop policy content
- ✓ Draft the policy
- ✓ Write the procedure
- ✓ Review of the policy by key parties
- ✓ Approve the policy
- ✓ Implement the policy
- ✓ Policy review and update
- ✓ Communication of changes to the policy

17. Distinguish between Objectives and Policies

Objectives	Policies
Objective decide what to do	Policy decides how to do.
Objectives determine the final goal of the enterprise	Policies are framed to achieve the objective efficiently.
Objectives decide the specific job to be done	Policies decide the procedures to be adopted for completion of the job
Objectives are the target and aims planning.	Policies are the means and manner of achieving objectives.

18. Define Procedure

- ✓ A 'Procedure' is a standing plan describing a customary method of handling a future activity.
- ✓ Procedures are meant to standardize and routinize the pattern and, pace, of work flow at the operational level.

19. Distinguish between Policies and Procedures

- ✓ Policies guide top management in decision making, while procedures guide employees into action.
- ✓ Policies leave some room for managerial discretion, while procedures are detailed and rigid
- ✓ Policies are an integral part of organizational strategies, while procedures are tactical tools
- ✓ Policies are generally formulated by top management, while procedures are laid down at lower organizational levels in line with policies

20. Define Program.

- ✓ A 'Program' may be defined as single-use comprehensive plan designed to implement the policies and accomplish the objectives.
- ✓ It gives a step by- step approach to guide the action necessary to reach a pre-determined goal.

21. List out the features of Program

- ✓ It is a single-use but comprehensive plan.
- ✓ It lays down the principal steps for accomplishing a mission.
- ✓ It gives a step-by-step approach to guide the action plan.
- ✓ It is guided by the objectives and strategies and covers many other types of plans
- ✓ It is a time-table of the future action.

22. Define Strategy.

Strategy is the pattern of objectives, purposes or goals and major policies and plans for achieving these goals, stated in such a way as to define what business the company is in or is to be and the kind of company it is or is to be.

23. List out the characteristics of Strategy.

- ✓ Strategy is forward looking
- ✓ Strategy is an action to meet a particular challenge, to solve particular problems or to attain a desired objective
- ✓ Strategy relates the business organization to its environment
- ✓ Strategy is a means to an end and not an end in itself.

24. What are levels of Strategy?

- ✓ Business Level Strategy
- ✓ Corporate Level Strategy
- ✓ Functional Level Strategy

25. What is meant by Corporate Level Strategy?

- ✓ **Corporate-level strategy** seeks to determine what businesses a corporation should be in or wants to be in
- ✓ **Corporate-level strategy** is developed by top-level management and the board of directors

26. What is Business Level Strategy?

Business-level strategies are generally developed by upper and middle-level business unit managers, in negotiation on key targets with the top corporate managers, and are intended to help the organization achieve its corporate level strategy.

27. What is meant by Functional Level Strategy?

Functional or business process strategies address issues usually faced by lower-level managers and deal with strategies for the major organizational functions such as marketing, finance, production, and research, which are considered important to achieving the business strategies and enabling the corporate-level strategy.

28. List out the types of Strategies

- ✓ **Integration Strategies**
- ✓ **Intensive Strategies**
- ✓ **Diversification Strategies**
- ✓ **Defensive Strategies**

29. What is Diversification?

Diversification entails effecting growth through the development of new areas that are clearly distinct from current businesses

30. Classify the Diversification Strategies

- ✓ **Concentric Diversification**: Adding new but related products or services is called concentric diversification.
- ✓ **Horizontal Diversification**: Adding new unrelated products or services for present customers is called horizontal diversification.
- ✓ **Conglomerate Diversification:** Adding new but unrelated products or services is called conglomerate Diversification.

31. What is Planning Premises?

- ✓ Planning premises are identified as the anticipated environment in which plans are expected to operate.
- ✓ Planning premises are the critical factors which lay down the boundary for planning

32. Classify Planning Premises.

- ✓ Internal and external premises
- ✓ Controllable, semi-controllable and non-controllable premises
- ✓ Tangible and Intangible premises

33. What is Strategic Management?

Strategic management is that set of managerial decisions and actions that determines the long-run performance of an organization. It entails all of the basic management functions--planning, organizing, leading, and controlling.

34. Outline the Strategic Management Process.
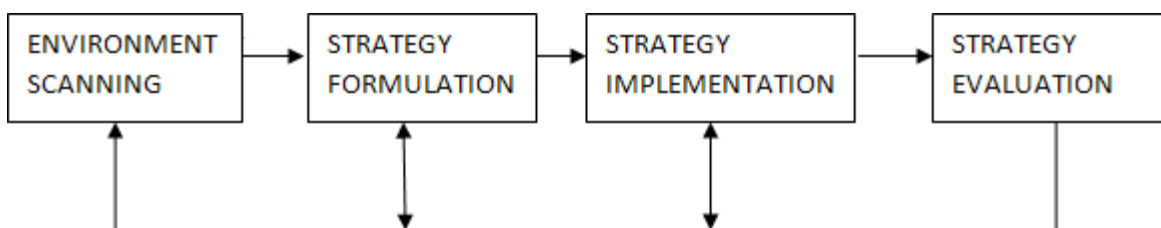
35. List out the tools and techniques to measure Strategic Management.

- ✓ SWOT Analysis
- ✓ BCG Matrix
- ✓ Porter's Five Force Model
- ✓ Gap Analysis
- ✓ Balance Score-Card

36. Outline the SWOT Analysis

A scan of the internal and external environment is an important part of the strategic planning process. Environmental factors internal to the firm usually can be classified as strengths (**S**) or weaknesses (**W**), and those external to the firm can be classified as opportunities (**O**) or threats (**T**).

37. What is BCG Matrix?

The **BCG matrix,** developed by the Boston Consulting Group, is a strategy tool to guide resource allocation decisions based on market share and growth of SBUs (Small Business Units).

38. Outline the Porter's Five Force Model

- ✓ Threat of new entrants
- ✓ Bargaining power of suppliers
- ✓ Bargaining power of customers
- ✓ Competitive Rivalry
- ✓ Threat of Substitutes

39. What is GAP analysis?

Gap analysis is a tool that organizational managers can use to work out the size, and sometimes the shape, of the strategic tasks to be undertaken in order to move from its current state to a desired, future state.

40. What is Balanced Score Card?

Balanced Scorecard enables organizations to bridge the gap between strategy and actions, engage a broader range of users in organizational planning reflects the most important aspects of the business, and respond immediately to progress, feedback and changing business conditions.

41. What is Decision Making?

- ✓ Decision making is the process of identifying and selecting a course of action to solve a specific problem
- ✓ Decision making involves the selection of a course of action from among two or more possible alternatives in order to arrive at a solution for a given problem.

42. List down the importance of Decision Making in Management.

- ✓ Better Utilization of Resources
- ✓ Facing Problems and Challenges
- ✓ Business Growth
- ✓ Achieving Objectives
- ✓ Increases Efficiency
- ✓ Facilitates Innovation
- ✓ Motivates Employees

43. List out the types of Decision Making.

- ✓ Programmed/Structured Decisions
- ✓ Non-programmed /Unstructured Decision

44. Outline the Steps in Decision Making Process

- ✓ Defining and analyzing the real problem
- ✓ Developing alternative solutions
- ✓ Evaluating the alternative solutions
- ✓ Selecting the best solution
- ✓ Implementing the Decision
- ✓ Follow Up

45. What is Rational Decision Making?

- ✓ Rational decision making is a precise, analytical process that companies use to come up with a fact-based decision.

46. Outline the Steps in Rational Decision Making.

- ✓ Define the problem
- ✓ Identify the criteria
- ✓ Weight the criteria
- ✓ Generate alternatives
- ✓ Rate each alternative on each criterion
- ✓ Evaluating each alternative

47. Explain the decision making under different conditions

- ✓ Decision Making Under Certainty
- ✓ Decision Making Under Risk
- ✓ Decision Making Under Uncertainty

UNIT III
ORGANIZING

1. Define Organization
- ✓ Organization is harmonious adjustment of the specialized parts for the accomplishment of some common purpose or purposes
- ✓ An identifiable group of people contributing their efforts for the attainment of the common goals is called organization.
- ✓ Organization is the establishment of authority and relationships with provision for coordination between them, both vertically and horizontally in the enterprise structure.

2. List down the importance of organizing function.

- ✓ Co-ordination
- ✓ Delegating authority
- ✓ Sense of security
- ✓ Job definition
- ✓ Management growth
- ✓ Personal growth

3. List out the steps in the process of organizing function.

- ✓ Division of work
- ✓ Departmentation
- ✓ Linking departments
- ✓ Assigning Duties
- ✓ Defining hierarchal structure

4. What are the purposes of organizing?

- ✓ Helps to achieve organizational goal
- ✓ Optimum use of resources
- ✓ To perform managerial function
- ✓ Facilitates growth and diversification
- ✓ Humane treatment of employees

5. What is a formal organization?

- ✓ An organization is formal when the activities are coordinated towards a common objective.
- ✓ A formal organization has a specific set of commands to direct employees in achieving its goals.

6. List out the Objectives of formal organization.

- ✓ To facilitate the accomplishment of the goals of the organization
- ✓ To facilitate the co-ordination of various activities
- ✓ To aid the establishment of logical authority relationship
- ✓ To aid the establishment of division of labor
- ✓ Create group cohesiveness

7. List down the Features of formal organization.

- ✓ It is absolutely non-individual.
- ✓ It is predetermined and deliberately created.
- ✓ It is created on the basis of delegation of authority.
- ✓ It does not consider the emotional aspect.
- ✓ Division of labor and specialization becomes possible.
- ✓ Organization charts are followed.

8. What is an informal organization?

- ✓ Informal organization is any human group interactions that occur spontaneously and naturally over long period of time.
- ✓ Informal organizations are formed on the basis of individual relations, communication, general knowledge.

9. List down the importance of informal organization.

- ✓ It serves as a very useful channel of communication in the organization. The informal communication is very fast.
- ✓ It blends with the formal organization to make it more effective. It gives support to the formal organization.
- ✓ The presence of informal organization encourages the manager to plan and act carefully.
- ✓ Informal organization supports and supplements the formal organization.

10. List out the features of informal organization.

- ✓ It is supplement to the formal organization.
- ✓ The informal relationships are established spontaneously.
- ✓ These organizations are found at each level of management.

11. Distinguish between formal and informal organization.

Formal Organization	Informal Organization
It is originated with delegation of authority.	It originates automatically due to social relations.
These are formed for organizational objectives.	These are formed for social satisfaction.
Members of these organizations have formal relations.	Members of these organizations have personal relations.
It has a well-defined structure.	It does not have a well-defined and clear cut structure.
Authority flows from top to bottom.	Authority flows from down to top or horizontally.

12. What is an organization structure?

- ✓ Organization structure is a pattern of relationship among the various positions in a firm and among the various people occupying the positions.
- ✓ Organization structure deals with the overall organizational arrangements in an enterprise.

13. Explain the objectives of organization structure.

- ✓ To develop coordination among the different activities performed by the various departments in the enterprise.
- ✓ To avoid duplication of the efforts at the time of execution of the necessary activities.
- ✓ To execute all necessary activities and undue activity avoided.

14. List out the types of organization structure.

- ✓ Line organization structure.
- ✓ Functional organization structure.
- ✓ Line and staff organization structure.
- ✓ Product organization structure.
- ✓ Committee and Matrix organization structure.

15. What is line organization structure?

- ✓ In line organization, the line of authority moves directly from the top level to the lowest level in a step-by-step manner.
- ✓ Here the top-level management takes all major decisions and issues directions for actual execution.

16. What is functional organization structure?

✓ In function organization structure the job of management is divided according to specialization.
✓ There will be separation of planning of work and execution of the plan prepared.

17. What is product organization structure?

✓ A product structure is based on organizing employees and work on the basis of the different products.
✓ Product structure groups employees together based upon specific products produced by the company.

18. What is matrix organization structure?

✓ A **matrix organizational structure** is a company structure in which the reporting relationships are set up as a grid, or matrix, rather than in the traditional **hierarchy.**
✓ It focuses on hierarchy with multiple levels of communication responsibilities in a company.
✓ Employees may develop their own projects and assemble a team to work on them.

19. What is Departmentation?

✓ Grouping of activities into departments or other homogeneous unit is known as departmentation.
✓ Departmentalisation is the process of grouping tasks into jobs, the combining of jobs into effective work groups and the combining of groups into identifiable groups or departments.

20. List down the types or bases of Departmentation.

✓ Departmentation by function
✓ Departmentation by product
✓ Departmentation by process
✓ Departmentation by geography
✓ Departmentation by customer
✓ Departmentation by time
✓ Departmentation by number

21. What is span of control?

✓ **Span of Control** in management and administration thus refers to the total number of people whom a manager or an administrator can effectively control and supervise.
✓ Span of control means the number of subordinates whom a superior (manager or administrator) can effectively supervise.

22. Distinguish between tall vs flat structure.

- ✓ **Tall** - A management structure characterized by an overall narrow span of management and a relatively large number of hierarchical levels. Tight control.
- ✓ **Flat** - A management structure characterized by a wide span of control and relatively few hierarchical levels. Lose control. Facilitates delegation

23. List out the factors influencing span of control.

- ✓ Work performed by subordinates is stable and routine.
- ✓ Subordinates perform similar work tasks.
- ✓ Subordinates are concentrated in a single location.
- ✓ Subordinates are highly trained and need little direction in performing tasks.
- ✓ Rules and procedures defining task activities are available.

What is centralization?
- ✓ **Centralization is the systematic and consistent reservation of authority at central pointswithin an organization**
- ✓ In centralization all the important decision and actions at the lower level, all subjects and actions at the lower level are subject to the approval of top management.

24. What are the advantages of centralization?

- ✓ Effective utilization of talents of the top management.
- ✓ It reduces co-ordination problems as a unifying force integrates all operations.
- ✓ It allows the development of a strong co-ordinates top management team.

25. What is decentralization?

- ✓ Decentralization denotes the transfer of authority from the higher level to the lower level.
- ✓ Decentralization of authority means dispersal of decision-making power to the lower level of the organization.

26. List down the features of decentralization.

- ✓ Decentralization is concerned with the attitude and philosophy of organization and management
- ✓ Decentralization is the result of effective delegation of authority.
- ✓ Decentralization transfers authorities to the subordinates.

27. Distinguish between centralization and decentralization.

Centralization	Decentralization
Environment is stable	Environment is complex, uncertain
Lower-level managers are not as capable or experienced at making decisions as upper-level managers.	Lower-level managers are capable and experienced at making decisions.
Lower-level managers do not want to have say in decisions	Lower-level managers want a voice in decisions.
Decisions are significant.	Decisions are relatively minor.

28. What is delegation of authority?

- ✓ Delegation of authority is meant by assigning jobs to others and giving rights to execute them.
- ✓ Delegation of authority merely means the granting of authority to subordinates to operate within prescribed limits.

29. List down the features of delegation of authority.
- ✓ The degree of delegation prescribes the limits within which a manager has to decide the things.
- ✓ Delegation of authority is made for getting cooperation from the subordinates.
- ✓ With the delegation of authority, the subordinate gets the authority but at the same time superior retains his own authority.

30. List out the elements of delegation of authority.

- ✓ *Responsibility*
- ✓ *Authority*
- ✓ *Accountability*

31. What is responsibility?

- ✓ Responsibility may be defined as the obligation of a subordinate to whom the duty has been assigned to perform.
- ✓ Responsibility is the obligation of a subordinate to perform the duty as required by his superior

32. What is authority?

- ✓ Authority is the right to give orders to and the power to extract obedience from the subordinates.
- ✓ Authority is the sum of powers and rights entrusted to make possible the performance of the work delegated.

33. What is accountability?

- ✓ Accountability denotes answerability for the accomplishment of the task assigned by the superior to his subordinates.
- ✓ Accountability is the obligation of an individual to keep his superior informed of his use of authority and accomplishment of the assigned task.

34. Distinguish between authority and responsibility.

Authority	Responsibility
It is the right of the manager to command his subordinates.	It is the obligation of the subordinate to complete the assigned work.
It arises due to the position of superior.	It arises due to superior-subordinate relationship.
It flows from top to bottom.	It flows from bottom to top.
It has longer period as compared to responsibility.	It gets completed with the completion of the task so has the shorter period.

35. Distinguish between responsibility and accountability.

Responsibility	Accountability
It is the obligation of the subordinate to complete the assigned work.	It is the answerability to the superior for the performance of the work.
With delegation of the authority, the new responsibility is created at each level.	With delegation of the authority, the new responsibility is not created at any level.
It arises due to superior-subordinate relationship.	It originates with the delegation of authority.

36. Outline the Process of delegation.

- ✓ Determination of expected results
- ✓ Assignment of job and duties to sub-ordinates
- ✓ Delegation of Authority
- ✓ Fixation of Responsibility
- ✓ Evaluation of Performance

37. Distinguish between Delegation of authority and decentralization.

Delegation of Authority	decentralization
Delegation is individual. It usually involves two persons, *i.e.,* supervisor and subordinate.	Decentralization is totalistic in nature. It involves delegation from top management to the department or the division of sectional level.
The purpose of delegation is the multiplication of manager.	The purpose of the decentralization is to increase subordinate's role in the organization.
It is suitable to all organizations.	It is suitable to only big organizations.

38. What is Job Design?

- ✓ Job Design is the process of deciding on the contents of a job in terms of its duties and responsibilities.
- ✓ Job Design aims at outlining and organizing tasks, duties and responsibilities into a single unit of work for the achievement of certain objectives.
- ✓ Job design is a continuous and ever evolving process that is aimed at helping employees make adjustments with the changes in the workplace.

39. What is human resource management?

Human Resource Management (HRM) is the function within an organization that focuses on recruitment of, management of, and providing direction for the people who work in the organization.

40. List out the Objectives of human resource management.

- ✓ To create and utilize an able and motivated workforce, to accomplish the basic organizational goals.
- ✓ To attain an effective utilization of human resources in the achievement of organizational goals.
- ✓ To strengthen and appreciate the human assets continuously by providing training and development programs.

41. List down the Importance of human resource management.

- ✓ **Owns the overall talent management processes**
- ✓ **Responsible for the over all recruiting of a superior workforce**
- ✓ **Recommends market-based salaries and develops an overall strategic compensation plan**
- ✓ **Responsible for recommending and instituting strategies for people and the organization that further the attainment of the organization's strategic goals**

42. List out the Functions of human resource management.

- ✓ Human resource planning
- ✓ Job Analysis
- ✓ Staffing
- ✓ Training and Development
- ✓ Orientation
- ✓ Career planning

43. What is meant by Human resource planning?

Human resource planning is a process of assessing an organization's human resources needs in the light of organizational goals and changing condition and making plans to ensure that a competent, stable workforce is employed.

44. List down the objectives of human resource planning.

- ✓ Forecasting human resource requirements
- ✓ Effective management of change
- ✓ Realizing the organizational goals
- ✓ Promoting employees
- ✓ Effective utilization of HR.

45. Classify the need for human resource planning.

- ✓ Employment-Unemployment situation
- ✓ Technological change
- ✓ Organizational change
- ✓ Demographic change
- ✓ Governmental change
- ✓ Governmental influences

46. What is recruitment?

Recruitment refers to the overall process of attracting, selecting and appointing suitable candidates to one or more jobs within an organization, either permanent or temporary.

47. What is the importance of recruitment?

- ✓ Increase the pool of job candidates at minimum cost.
- ✓ Help to reduce the probability that job applicants, once recruited and selected, will leave the organization only after a short period of time.
- ✓ Increase organizational and individual effectiveness in the short term and long term.

48. List out the objectives of recruitment.

- ✓ To attract people with multi-dimensional skills and experiences that suits the present and future organizational strategies.
- ✓ To induct the outsiders with a new perspective to lead the company.
- ✓ To seek out non-conventional grounds of talent.
- ✓ To design entry pay that competes on quality but not on quantum.

49. Outline the Steps of recruitment process.

- ✓ Focusing on the Job Requirements
- ✓ Drafting a Job Description
- ✓ Understanding Target Candidates and Their Sources
- ✓ Initial Screening and Selection Process
- ✓ Sorting Applications and Short-listing Candidates
- ✓ Interview and Final Call
- ✓ Reference and Medical Check
- ✓ Selecting Candidates and Making an Offer
- ✓ On-boarding and Induction
- ✓ Assistance and Evaluation

50. List out the Sources of recruitment.

1. **Internal**: Sources of recruitment are from within the organization
2. **External**: Sources of recruitment are from outside the organization

51. What are the internal sources of recruitment?
- ✓ Promotions
- ✓ Transfers
- ✓ Internal advertisements
- ✓ Retired managers
- ✓ Recall from long leave

52. What are the external sources of recruitment?

- ✓ Management Consultants
- ✓ Public Advertisements
- ✓ Campus recruitment
- ✓ Recommendations
- ✓ Deputation personnel

53. What is selection?

Selection refers to the process by which qualified applicants are selected by means of various tests in pre-determined numbers, out of large number of applicants.

54. What is staffing?

Staffing is the process of acquiring, deploying, and retaining a workforce of sufficient quantity and quality to create positive impacts on the organization's effectiveness.

55. List out the objectives of staffing function.

- ✓ To determine the source of Recruitment of the Employees

- ✓ To Appoint the Deserved Employees
- ✓ To Train the Employees
- ✓ To Proper Allocation of Jobs
- ✓ To Appraisal the Performance of the Employees

56. Outline the essentials of good staffing policy.

- ✓ It should take into account the interest of both employer and employees
- ✓ It should be complete in every respect
- ✓ It should be simple and precise
- ✓ It should be reasonably stable and permanent
- ✓ It should be flexible.

57. List out the Steps involved in staffing process.

- ✓ Manpower requirements
- ✓ Recruitment
- ✓ Selection
- ✓ Orientation and Placement
- ✓ Training and Development
- ✓ Remuneration
- ✓ Performance evaluation
- ✓ Promotion and Transfer

58. What is Orientation?

- ✓ Orientation involves familiarization of the newly appointed employees to the work environment of the organization as well as to the fellow employees.
- ✓ Orientation enables a new recruit to become productive as quickly as possible.
- ✓ Orientation avoids employee costly mistakes by recruits not knowing the procedures or techniques of their new jobs.

59. List out the objectives of orientation program.

- ✓ To make the new entrant feel comfortable with the company on the first day.
- ✓ To brief the new entrant on Company's culture and provide necessary understanding of Corporate History, Vision, Goals, and Values and Beliefs of the Organization.
- ✓ To introduce the new comer to people working in various departments and also to familiarize with the functions and processes of various departments and their interrelationship.

60. What is the Purpose of orientation program?

- ✓ To make new employees feel at home in new environment
- ✓ To remove their anxiety about new workplace
- ✓ To remove their inadequacies about new peers
- ✓ To remove worries about their job performance
- ✓ To provide them job information, environment

61. What is training and development?

Training and development is a function of human resource management concerned with organizational activity aimed at bettering the performance of individuals and groups in organizational settings.

62. List out the importance of training and development.

- ✓ Optimum utilization of human resources
- ✓ Development of human resources
- ✓ Development of skills of employees
- ✓ Productivity
- ✓ Team spirit
- ✓ Organization culture
- ✓ Organization climate

63. Classify the Training and development methods.

- ✓ **On-the-job training**
- ✓ **Off-the-job training**

64. List down the On-the-job training methods

- ✓ Coaching
- ✓ Mentoring
- ✓ Job Rotation
- ✓ Job Instruction Technology
- ✓ Apprenticeship
- ✓ Understudy

65. List out the Off-the-job training

- ✓ Lectures and Conferences
- ✓ Vestibule Training
- ✓ Simulation Exercises
- ✓ Management Games
- ✓ Case-Study

- ✓ Role Play
- ✓ In-basket Exercise
- ✓ Sensitivity Training
- ✓ Transactional Analysis

66. What is meant by Performance Management?

Performance Management is both a strategic and an integrated approach to delivering successful results in organizations by improving the performance and developing the capabilities of teams and individuals.

67. List out the objectives of performance management

- ✓ To enable the employees towards achievement of superior standards of work performance.
- ✓ To help the employees in identifying the knowledge and skills required for performing the job efficiently as this would drive their focus towards performing the right task in the right way.

68. List down the Components of performance management system.
- ✓ Performance Planning
- ✓ Performance Appraisal and Reviewing
- ✓ Feedback on performance followed by personal counseling
- ✓ Rewarding good performance
- ✓ Performance improvement plans
- ✓ Potential Appraisal

69. What is meant by performance Appraisal

It is a systematic evaluation of an individual with respect to performance on the job and individual's potential for development.

70. Distinguish between performance appraisal and performance management

Performance Appraisal	Performance Management
Focus is on top down assessment	Stresses on mutual objective setting through a process of joint dialogue
Performed annually	Continuous reviews are performed
Usage of ratings is very common	Usage of rating is less common
Focus is on traits	Focus is on quantifiable objectives, values and behaviors

71. List down the objectives of performance appraisal

- ✓ To maintain records in order to determine compensation packages, wage structure, salaries raises, etc.
- ✓ To identify the strengths and weaknesses of employees to place right men on right job.
- ✓ To maintain and assess the potential present in a person for further growth and development.

72. List out the importance of performance appraisal

- ✓ To analyze and review the performance of employees over a specified period of time
- ✓ To see the gap between the actual and desire performance of the employees
- ✓ To help management team on how to exercise organizational control

73. List down the techniques and methods of performance appraisal
- ✓ Critical incident method
- ✓ Weighted checklist method
- ✓ Paired comparison analysis
- ✓ Graphic rating scales
- ✓ Essay Evaluation method
- ✓ Behaviorally anchored rating scales (BARs)
- ✓ 360 degree performance appraisal
- ✓

74. What is behaviorally anchored rating scales (BARs)
BARS is formatted performance appraisal is based on making rates on behaviors or sets of indicators to determine the effectiveness or ineffectiveness of working performance. The form is a mix of the rating scale and critical incident techniques to assess performance of the staff.

75. What is meant by 360 degree performance appraisal?

360 degree performance appraisal is a method that employees will give confidential and anonymous assessments on their colleagues.

78. What is career planning?

- ✓ Career planning is a sequence of separate but related work activities that provide continuity, order and meaning to a person's life.
- ✓ Career planning is the occupational positions a person has had over many years.

79. List out the objectives of career planning.

- ✓ To have a more stable workforce by reducing labor turnover and absenteeism
- ✓ To increasingly utilize the managerial talent available at all levels within the organization.
- ✓ It helps employee in thinking of long term involvement with the organization.
- ✓ To achieve higher productivity and organizational development.
- ✓ To ensure better use of human resource through more satisfied and productive employees.

80. List down the need for career planning and management.

- ✓ To desire to grow and scale new heights.
- ✓ Realize and achieve the goals.
- ✓ Performance measure.
- ✓ High employee turnover
- ✓ To educate the employees

UNIT IV
DIRECTING

1. List down the elements of individual behavior.
- ✓ Biographical characteristics
- ✓ Ability
- ✓ Personality
- ✓ Learning

2. What is personality?
- ✓ Personality is a set of distinct characteristics of an individual.
- ✓ Some people tend to be emotional, others intellectual, bold or timid, hesitant or confident, reserved or social, etc.
- ✓ Personality is shaped from heredity and culture and environment, which lead to personality traits.

3. What is heredity?

Heredity refers to those factors that were determined at conception (expectancy time of a female), for instance, physical stature/ structure, facial attractiveness, skin color, hair color, muscles composition, energy level, height, built, sex/ gender, temperament, and so on.

4. List down the five Big personality traits.

- ✓ Extraversion
- ✓ Agreeableness
- ✓ Conscientiousness
- ✓ Emotional stability
- ✓ Openness to experience

5. What is locus of control?

- ✓ Some people believe they are masters of their own fate/ destiny, and other believes in luck or chance.
- ✓ Individuals who believe that they control what happens to them are called "internals" and the individuals who believe that what happens to them is controlled by outside forces, such as luck or chance are called "externals".

6. What is Self-Esteem?

It is the individual's degree of liking or disliking of oneself.

7. What is meant by Self-Monitoring?

It is the ability to measure one's own performance against some performance standards or benchmarks. Such people offer better results.

8. What is meant by Learning?

Learning is defined as many permanent change in behavior as a result of observation and experience.

9. What is Operant Conditioning?

It's a type of conditioning in which desired behavior leads to a reward or prevents a punishment.

10. List out the methods of shaping behavior.

- ✓ Positive reinforcement
- ✓ Negative reinforcement
- ✓ Punishment
- ✓ Extinction

11. What is Punishment?

- ✓ **Punishment** for undesired behavior can result in verbal or written reprimands, pay cuts, loss of privileges, lay offs, and termination.

12. What is meant by extinction?

- ✓ **Extinction** is the withdrawal of reinforcement or the behavior that was rewarded earlier or reinforced in any way becomes extinguished.

13. What is meant by positive reinforcement?
Managers reward desired behavior or performance

14. What is negative reinforcement?

Managers show resentment or anger on undesired behavior or performance.

15. What is Continuous Reinforcement?

- ✓ **Continuous reinforcement** is rewarding behavior/ performance every time it occurs. Fixed interval is rewarding behavior/ performance at fixed intervals like, quarterly, biannually, and annually.

16. Define Group.

A group is defined as two or more individuals, interacting and interdependent, who have come together to achieve particular objectives.

17. Classify the groups.

- ✓ Formal group
- ✓ Informal group
- ✓ Command group
- ✓ Task group
- ✓ Interest group

18. What is Group structure?

Group structure is a pattern of relationships among members that hold the group together and help it achieve assigned goals.

19. What is meant by group cohesiveness?

Cohesiveness refers to the bonding of group members and their desire to remain part of the group.

20. What is group Dynamics?

- ✓ Group dynamics deals with the attitudes and behavioral patterns of a group.
- ✓ Group dynamics concern how groups are formed, what is their structure and which processes are followed in their functioning. Thus, it is concerned with the interactions and forces operating between groups.

21. Outline the stages of Group Development.

- ✓ Forming
- ✓ Storming
- ✓ Norming
- ✓ Performing
- ✓ Adjourning

22. What is conflict?

Conflict is a process in which one party perceives that its interests are being opposed or adversely affected by one or more other parties.

23. What is motivation?

- ✓ Motivation is the set of forces that cause people to choose certain behaviors from among the many alternatives open to them.
- ✓ Motivation is defined as the incentive that is given for inspiration to accomplish something.
- ✓ Motivation is what drives a person to participate in an organization.

24. Why motivation is important for individuals?

- ✓ Motivation will help him achieve his personal goals.
- ✓ If an individual is motivated, he will have job satisfaction.
- ✓ Motivation will help in self-development of individual.
- ✓ An individual would always gain by working with a dynamic team.

25. List out the motivation theories.

- ✓ Maslow Hierarchy need theory
- ✓ Hertzberg Motivation – Hygiene Theory (Two Factor Model
- ✓ McClelland's Needs Theory of Motivation
- ✓ Expectancy Theory of Motivation
- ✓ Equity theory
- ✓ Reinforcement theory of motivation
- ✓ Alderfer's ERG theory of motivation

26. Who is Theory X Manager

- ✓ Theory X managers don't trust employees.
- ✓ They think people need firm controls, coercion, and threats to get them to be productive.
- ✓ These managers adopt a more dictatorial style
- ✓ **They adopt 'Tough" management practices** aim at achieving organizational goals by using fear tactics

27. Who is Theory Y Manager?

- ✓ Theory Y managers believe employees really want to like to work and would love to have their work be meaningful.Theory Y presents an optimistic view of the employees' nature and behavior at work.

28. What are the Maslow pyramids of human needs?

- ✓ **Physiological Needs**
- ✓ **Security / Safety Needs**
- ✓ **Social Needs**
- ✓ **Esteem Needs**
- ✓ **Self-actualization Needs**

29. List out the McClelland's Needs Theory of Motivation

- ✓ Need for Power (n/PWR)
- ✓ Need for Affiliation (n/AFF)
- ✓ Need for Achievement (n/ACH)

30. What is Valency?

Refers to emotional orientations which people hold with respect to outcomes (rewards) – the value the person attaches to first and second order outcomes.

31. What is meant by Expectancy?

Refers to employees' different expectations and levels of confidence about what they are capable of doing – the belief that effort will lead to first order outcomes.

32. What is instrumentality?

Refers to the perception of employees whether they will actually receive what they desire, even if it has been promised by a manager – the perceived link between first order and second order outcomes.

33. Explain Intrinsic and extrinsic reward

- ✓ **Intrinsic rewards** are the positive feelings that the individual experiences from completing the task e.g. satisfaction, sense of achievement.
- ✓ **Extrinsic rewards** are rewards emanating from outside the individual such as bonus, commission and pay increases.

34. What is meant by Morale?

Morale can be defined as the total satisfaction derived by an individual from his job, his work-group, his superior, the organization he works for and the environment. It generally relates to the feeling of individual's comfort, happiness and satisfaction.

35. What is meant by Job Satisfaction?
- ✓ Job satisfaction is as a pleasurable or positive emotional state resulting from the appraisal of one's job or job experience.
- ✓ Job satisfaction is an affective or emotional response toward various facets of one's job.

36. Define job Enrichment

- ✓ Job enrichment is a motivational technique which emphasis the need for challenging and interesting work.
- ✓ **Job enrichment** allows the employee control in planning their work and deciding

authority how to complete it.

37. Classify the dimensions of Job Enrichment

- ✓ Skills variety
- ✓ Task identity
- ✓ Task significance
- ✓ Autonomy
- ✓ Feedback

38. Define Leadership

Leadership is the ability to persuade others to seek defined objectives enthusiastically. It is the human factor which binds a group together and motivates it towards goals.

39. List out the ingredients of leadership

- ✓ Reliability
- ✓ Training
- ✓ Loyalty
- ✓ Sureness
- ✓ Adaptability
- ✓ Enthusiasm

40. List down the importance of leadership

- ✓ Initiates action
- ✓ Motivation
- ✓ Providing guidance
- ✓ Creating confidence
- ✓ Building morale
- ✓ Builds work environment
- ✓ Co-ordination

List out the Qualities of a leader

- ✓ Physical appearance
- ✓ Vision and foresight
- ✓ Intelligence
- ✓ Communications skills
- ✓ Knowledge of work
- ✓ Sense of responsibility
- ✓ Self-confidence and will-power

41. Classify the functions of a leader

- ✓ **To act as a representative of the work-group**
- ✓ **To develop team spirit**
- ✓ **To act as a counselor of the people at work**
- ✓ **Proper use of Power**
- ✓ **Time Management**
- ✓ **Secure effectiveness of group-effort**

42. Distinguish leader and manager

Manager	Leader
A person becomes a manager by virtue of his position.	A person becomes a leader on basis of his personal qualities.
Manager has got formal rights in an organization because of his status.	Rights are not available to a leader.
The subordinates are the followers of managers.	The groups of employees whom the leaders lead are his followers.
A manager performs all five functions of management.	Leader influences people to work willingly for group objectives.
It is more stable.	Leadership is temporary.

43. List down the types of leadership power

- ✓ **Legitimate power**
- ✓ **Charismatic power**
- ✓ **Expert power**
- ✓ **Reward power**
- ✓ **Coercive power**
- ✓ **Political power**

44. List out the Leadership styles

- ✓ Autocratic
- ✓ Democratic
- ✓ Laissez-faire
- ✓ Transformational
- ✓ Transactional

45. Outline the Theories of leadership

- ✓ Great Man Theories
- ✓ Trait Theories
- ✓ Contingency Theories
- ✓ Situational Theories
- ✓ Behavioral Theories
- ✓ Participative Theories
- ✓ Management Theories

✓ Relationship Theories

46. What is meant by Communication?

✓ Communication is the exchange and flow of information and ideas from one person to another.
✓ Communication acts as a source of information and helps in the decision making process and helps in identifying the alternative course of action.

47. What are the importance of communication?

✓ Necessary for planning
✓ Basis of co-ordination
✓ Establishment of effective leadership
✓ Increases managerial efficiency
✓ Smooth Working of Enterprise
✓ Job satisfaction

48. List out the forms of communication

✓ Face-to-Face
✓ Email
✓ Telephone
✓

49. What is upward communication?

✓ Upward communication is the vertical communication flows form lower level to one or more higher levels in the organization.
✓ Upward communication travels from subordinates to superiors and continues up the organizational hierarchy

50. What is downward communication?

✓ **Downward communication** occurs when information and messages flow down through an organization's formal chain of command or hierarchical structure.

51. istinguish between upward and downward communication

Upward Communication	Downward Communication
Its direction is bottom to top or subordinates to superiors	Its direction is top to bottom or superiors to subordinates
It is participative in nature	It is directive in nature
Providing feedback, opinions, suggestions, requests etc to superiors	Giving order, instructions, advice etc. to subordinate

To convey complain, feedback, opinions, suggestions, requests etc.	To communicate organizational goals, plans, procedures, orders, instructions, advices etc.

52. What is Horizontal Communication?

- ✓ Horizontal communication is the communication that flows laterally within the organization, involves persons at the same level of the organization.
- ✓ *Horizontal communication* is the communication where information or messages flows among the similar or same level statuses of people in the organizational structure.

53. What is meant by Vertical Communication?

- ✓ Vertical communication is the communication where information or messages flows between or among the subordinates and superiors of the organizational.
- ✓ Vertical communication is a flow of information up and down the organization's hierarchy.

54. Distinguish between horizontal and vertical communication

Horizontal Communication	Vertical Communication
Main purpose is to co-ordinate the activities of various departments and division of the organization	Main purpose is to provide orders, instructions, advices, feedback, opinions, suggestions, request within sub-ordinates and superiors
Information or messages flows between same level and statuses people	Information and messages flow between subordinates and superiors
Generally use oral method	Generally use written method
Free flow distortion of messages	May possibility of distortion of messages

55. What is informal communication?

- ✓ Informal communication is the takes place without regard to hierarchical or task requirements.
- ✓ Informal communication is the flow of information without regard for the formal organizational structure, hierarchical or reporting relationship.

56. What is meant by Grapevine Communication?

- ✓ Grapevine is an informal channel of business communication.
- ✓ It is called so because it stretches throughout the organization in all directions irrespective of the authority levels.

57. Distinguish between formal and informal communication

Formal Communication	Informal Communication
Organizational rules are strictly followed.	It does not generally follow the rules of organization
Requires official recognition.	It does not require any official recognition.
It is inflexible in nature	Being flexible, It can be changed easily.
Not free and open to all. Secrecy is maintained here.	It is free and open to all, So it is very difficult to maintain secrecy here.
Requires much time and cost.	Requires less time and cost.

58. What is verbal communication?

Verbal communication refers to the form of communication in which message is transmitted verbally; communication is done by word of mouth and a piece of writing.

59. What is oral communication?

Oral communication implies communication through mouth. It includes individuals conversing with each other, be it direct conversation or telephonic conversation. Speeches, presentations, discussions are all forms of oral communication.

60. What is written communication?

✓ Written communication is essential for preparing worthy promotional materials for business development.
✓ Written communication helps in laying down apparent principles, policies and rules for running of an organization.

61. What are the forms of written communication?

✓ Memos
✓ Reports
✓ Bulletins
✓ Job descriptions
✓ Employee manuals and
✓ Electronic mail

62. What is Non-verbal Communication?

✓ Nonverbal communication is the sending or receiving of wordless messages.
✓ It is communication of feelings, emotions, attitudes, and thoughts through body movements / gestures / eye contact, etc.

63. List down the types of non-verbal communication

- ✓ Facial expressions
- ✓ Body movements and postures
- ✓ Gestures
- ✓ Eye contact
- ✓ Touch

64. List out the Basic types of grapevine

- ✓ Single strand Grapevine
- ✓ Gossip Grapevine
- ✓ Probability Grapevine
- ✓ Cluster Grapevine

UNIT V
CONTROLLING

1. Define Controlling.

Controlling is a systematic exercise which is called as a process of checking actual performance against the standards or plans with a view to ensure adequate progress and also recording such experience as is gained as a contribution to possible future needs.

2. List out the importance of Controlling.

- ✓ Helps in achieving organizational goals
- ✓ Judging accuracy of standards
- ✓ Making efficient use of resources
- ✓ Improving employee motivation
- ✓ Ensures order and discipline

3. What are the Features of controlling?

- ✓ It is an end-function
- ✓ It is a pervasive function
- ✓ It is forward looking
- ✓ It is dynamic process
- ✓ It is related with planning

4. List down the types of Controls

- ✓ Feed-Forward Controls
- ✓ **Concurrent Controls**
- ✓ **Feedback Controls**

5. List out the various non-budgetary control techniques

- ✓ Observation
- ✓ Statistical report
- ✓ Break-Even Point
- ✓ Operational Audit

6. List down the various modern control techniques

- ✓ Financial statements
- ✓ Management information systems
- ✓ Management Audit
- ✓ Return of Investment
- ✓ Responsibility Accounting
- ✓ Network techniques

7. Define Budget

- ✓ A **budget** is a quantitative expression of a plan for a defined period of time.
- ✓ It expresses strategic plans of business units, organizations, activities or events in measurable terms

8. List down the types of budget

- ✓ Sales Budget
- ✓ Production Budget
- ✓ Production Cost Budget
- ✓ Raw Materials Budget
- ✓ Purchases Budget

9. What is Budgetary Control?

Budgetary control is the process of developing a spending plan and periodically comparing actual expenditures against that plan to determine if it or the spending patterns need adjustment to stay on track.

10. What is Zero-based Budgeting?

- ✓ Zero-based Budgeting requires managers to start at zero for each budget period and justify every input and output when developing the budget.
- ✓ Zero Based Budgeting is a cost-benefit analysis for all decision-making in an organization.

11. What is meant by Performance based budgeting?

- ✓ Performance based budgeting focus on the strategic planning or determines development measures.
- ✓ It also provides quantifiable data to determine success.
- ✓ Many government organizations use performance based budgeting.

12. What is Break-even Point?

- ✓ Break-even analysis is a useful tool to study the relationship between fixed costs, variable costs and returns.
- ✓ Break-even analysis computes the volume of production at a given price necessary to cover all costs.

13. Define productivity

✓ Productivity is a relationship between output and input. It is expressed or measured as a ratio of output and input. In other words, it equals output divided by input

14. List down the benefits of productivity.

✓ Higher profit
✓ Employee welfare
✓ Good credit rating
✓ Goodwill
✓ Better credit terms
✓ Low Turnover

15. What is production control?

Production control refers to ensuring that all which occurs is in accordance with the rules established and instructions issued.

16. What are the elements of production planning

✓ Planning
✓ Routing
✓ Scheduling
✓ Dispatching
✓ Follow Up and Expediting
✓ Inspection

17. What is Cost Control?

Cost control, also known as cost management or cost containment, is a broad set of **cost accounting** methods and management techniques with the common goal of improving business cost-efficiency by reducing costs, or at least restricting their rate of growth.

18. List out the objectives of purchasing

✓ To support company operations with an uninterrupted flow of materials and services
✓ To buy competitively and wisely
✓ To develop reliable alternate sources of supply
✓ To develop good vendor relationship and a good continuing supplier relationship
✓ To achieve maximum integration with the other departments of the firm

19. List out the methods of purchasing control

- ✓ Hand-to-mouth purchasing
- ✓ Scheduled Purchasing
- ✓ Tender Purchasing
- ✓ Group Purchasing
- ✓ Speculative Purchasing

20. What is Maintenance Control?

Maintenance control is to achieve the optimum balance between equipment performance, availability and the cost of maintenance.

21. List out the types of Maintenance

- ✓ Preventive Maintenance
- ✓ Reactive Maintenance

22. What is Preventive Maintenance?

Also known as planned maintenance, aims to forecast when failures are likely to occur, and to fix the problem before it occurs, at a time that is convenient to both production and maintenance.

23. What is meant by Reactive Maintenance?

Often known as unplanned or corrective maintenance, occurs where the plant is allowed to run until something fails; after which it is repaired.

24. What is Total Productive Maintenance?

Total Productive Maintenance (TPM) is a systematic approach to understanding the equipment's function, the equipment's relationship to product quality and the likely cause and frequency of failure of the critical equipment components.

25. What is Overall Equipment Effectiveness?

- ✓ Overall equipment effectiveness (OEE) is the key metric in determining how well equipment is performing.
- ✓ OEE measures equipment effectiveness in terms of availability, performance, and product quality.

26. What is Quality Control?

Quality control (QC) is a procedure or set of procedures intended to ensure that a manufactured product or performed service adheres to a defined set of quality criteria or meets the requirements of the client or customer.

27. What are Direct and Preventive Control?

- ✓ **Direct controls** are based on feedback, by measuring deviations from standards analyzing the causes of deviations and taking the necessary corrective steps to bring performance on the right track.
- ✓ **Preventive controls** are based on the philosophy of preventing undesirable deviations from occurring, by developing a highly qualified managerial staff.

28. What is Reporting?

Reporting is that part of management control system which provides different information to management at regular interval. Management reporting is the instrument for making control and decision effective.

29. List down the objectives of Reporting.
- ✓ To ensure the operational efficiency of the concern.
- ✓ To facilitate the maximum utilization of resources
- ✓ To secure industrial understanding among people who are engage in various aspects of work of enterprise
- ✓ To enable to motivating improving discipline and morale

30. List out the types of reporting

- ✓ Internal Reporting
- ✓ External Reporting

31. What is Principles of reporting?

- ✓ The report should present true and fair view of the business affairs.
- ✓ Report should serve the basic purpose for which it is prepared.
- ✓ The report should be simply written.
- ✓ A report should be in a proper format and must contain appropriate content.

32. Essential of good reporting system

- ✓ It should be in proper form and time
- ✓ Contains proper flow of information
- ✓ Flexible in nature
- ✓ Facilitation of evaluation
- ✓ Economy