Unit 1 Nature and Significance of Management.

1) Management of Global Ltd. Fulfils all its objectives and the organization is able to work effectively and efficiently. It is using environment friendly methods of production and disposing off the waste material either by recycling it or using the same for landfill in such a manner that the aquatic life is not disturbed. Thus it also provides employment opportunities to the disadvantaged sections of the society.

a) Identify the objective of management of Global Ltd. Which it wants to fulfill by doing the above activities.

b) State any two other objectives that the management of Global Ltd. Should fulfil.

c) Identify any two values which management of Global Ltd. Can communicate through fulfilling the objectives as stated in part (b)

d) Identify any two values which Global Ltd desires to emphasise through its above stated activities.

Ans a) Social objective
b) i) Organisational objective. ii) Personal objective.

c) i) Opportunity for Growth ii) Harmony among the employees of the organization.

d) i) Waste management: By using the waste material for recycling & landfill.

ii) Responsibility towards disadvantaged sections of society. By providing employment opportunities to the disadvantaged sections of the society.

2) Unique Ltd. is engaged in manufacturing electrical appliances. The company has been facing lot of problems for the last few months because of chaos between two departments i.e. Production department and sales department. Sales department blames production Department for delayed productions. However, production department blames sales Department for poor sales. The force that integrates the two departments is missing.

a) Identify the missing force in the above case and list its two characteristics.

b) List any two values which can be cultivated among the employees by using the force identified in (a) above.

Ans A) Co ordination.
- Integrates group efforts.
- Ensures unity of action.

b)i) cooperation – By integrating all group efforts.

ii) Unity: By ensuring that all activities aim at accomplishments of organizational goals.

3) A.R. Rehman is the first Indian to win Oscar award for his composition ‘Jai Ho’. His composition of music is unique and different as he has used the singing notes in a manner that is entirely his own interpretation.

Like A.R. Rehman, ‘Nandan’ General Manager in Sea Ltd, uses his knowledge of management in a unique and different manner and all the employees working under his guidance are happy and satisfied. He rewards the employees who come to office on time.

a) Identify the nature of management highlighted above.

b) State two other ways in which nature of management can be explained.
c) Identify the value that Nandan wants to inculcate in his employees. Also explain how?

**Ans:**

a) Nature of management - Management is an art.

b) i) Management as science ii) Management as profession.

c) Discipline /punctuality - By rewarding the employees.

4) Rahul Ltd., a leading Manufacturer of iron and steel decided to open up a new branch in remote area in Rajasthan. So that unemployed youth from the rural areas could get same opportunities as those available in the urban areas. This initiative has raised the standard of living of people in rural areas. All children in these families are getting good education and these families are also actively contributing the nation building through their dedicated work.

a) Identify the objective e of management highlighted in the above mentioned case.

b) Give any two advantages of following the above objective.

c) Which values can be emphasized by following the above objective?

**Ans:**

a) Social objective.

b) Creation of benefit for society – new branch in rural area – leads to Balanced Regional development.

   i) Equal Opportunity for growth and development.

   (ii) Social responsibility

   (iii) Concern for the unemployed.

5) In order to achieve target production of 5000 units per month, a Production Manager has to operate on double shifts. Due to power failure most of the time, the manager is able to achieve 5000 units, but at a higher production cost.

a) In your point of view, what is lacking in management?

b) Identify the values emphasised by management in the above mentioned case.

**Ans:**

a) Efficiency

b) **Values** – (i) optimum utilization of scarce resources.

   (ii) sincerity

   (iii) Responsible towards achieving the target.
Unit II  Principles of Management

1) Shiva Ltd. was not performing well. After detailed analysis it was discovered that workers of the Production Department were not satisfied with the behavior of Mr. Ajay, the production manager, as workers were forced to work for long hours without any rest. Keeping this in view the management decided to replace Mr. Ajay with Mr. Vijay who had recently completed his M.B.A. from IIM Ahmedabad. Mr. Vijay did a detailed analysis of work which involved heavy manual labour. He allowed small pauses to the workers so that they could recharge their energy for optimum contribution.
   a) Name and explain the technique of Scientific Management adopted by Mr. Vijay.
   b) He further desires to find out the best ways of doing a job. Suggest to him the technique of scientific management.
   c) State the ‘Values’ emphasized by allowing small pauses to workers.
   Ans:  a) Fatigue study - seeks to determine the amount & frequency of rest intervals in completing a task.
         Helps the workers to regain stamina and work again with the same capacity.
   b) Method study.
   c) (i)  Respect toward employees
         (ii) Being humane
         (iii) Care for employees health

2) Tanya and Sharma, having same educational qualifications are working as managers in Alfa Ltd. Tanya belongs to a rural area where employment opportunities are very less whereas Sharma belongs to a urban area. Ignoring many other differences between the two management of Alfa Ltd. appointed them as assistant manager, on the same salary package of Rs.45000 per month.
   i) Name and briefly explain the principle of management being followed in the above case.
   ii) Identify the values on which Management of Alfa Ltd. emphasis by not differentiating between the two.
   Ans:  i) Principle of ‘Equity’
         - Similar treatment is assured to employees in similar positions.
         - Fair & Impartial treatment to employees.
   ii) a) No discrimination on any basis.
        b) Providing equal opportunities to all.

3) Kumaran is working in a Shoe manufacturing Co. The management asked him to work overtime so as to produce more in order to meet increase in demand in the market. But he was not paid adequate wages for extra time and so he never contributed to his maximum.
   a) Which principle of Fayol is violated in the above case?
   b) Give two positive effects of following the above principle.
   c) Which values can be emphasized by following the above principle?
   d) Which values are ignored in the above situation?
   Ans:  a) Remuneration of employees
         b) i) ensure healthy atmosphere & good relations between the employees and the management.
             ii) Smooth functioning of the organisation.
         c) Motivation ii) Respect towards employees.
         d) (i) Respect for employees
(ii) Motivation
(iii) Responsibility and sincerity of the employee
(iv) Initiative
(v) Cooperation

4) Vaibhav, an employee in Yamuna Ltd., was instructed by Mr. Vinayak (Production manager) to increase production of steel due to excess stock of steel. On the other hand, Mr. Madhav (Sales manager) directed him not to increase the steel production as there was low demand for steel in the market.

Vaibhav got confused regarding whose order to follow and hence was unable to work in a proper manner. Because of overlapping orders and instructions, Vaibhav was unable to satisfy both the bosses which led to conflict in the organization.

i) Name and explain the principle not being followed.
ii) Give any two advantages of following this principle.
iii) Name the values that can be gained by following the above principle.

Ans:

a) Unity of command
b) i) preventing overlapping of activities.
   ii) promotes coordination.
c) i) Avoidance of conflicts.
   ii) Maintain harmony between supervisors & employees.

5) One of the principles of scientific management emphasizes that to make the employees learn the ‘best method’ of production, training to workers is essential. It further emphasizes that each person should be scientifically selected and the work assigned to the employees should suit physical, mental and intellectual capabilities.

i) Name and explain the principle of scientific management involved.
ii) Name the principle of scientific management which is concerned with selecting the best way of performing a job through application of scientific analysis and not by intuition or hit and trial methods.
iii) Name the value emphasized by following the principle in part (a) above.

Ans:

i) Development of each and every person to his or her greatest efficiency & ability.
   - Employees should be selected scientifically.
   - Efficient employees produce more to earn more.
ii) Science, not rule of thumb
iii) a) Growth for all
     b) Prosperity for workers and Company
     c) Caring for employees
     d) Responsible to use resources
UNIT – 3 – BUSINESS ENVIRONMENT

1. Mr. Prasanth Gupta is the owner and manager of a grocery store. He attended a management seminar. The topic was on globalisation and impact of technology on business. He was shocked by many television ads and mailers to see different opportunities available on the internet for his expansion. To upgrade the technology in his business outside the city and he feels internet does not have any application to the retail industry. What should Mr. Prasanth do to avoid any negative impact of the changes in business environment? By adopting technological environment what values Mr. Prasanth can exhibit in his business?

- Responsibility to use resources
- Care for his customers
- Adaptability
- Commitment to serve the stakeholders in a better manner.

2. Decline in interest rates on housing loans declared by RBI. Name the component of business environment. What values we inculcated by this component of business environment?

   Context: Economic environment

   Values:
   - Rising standard of living.
   - Economic development.
   - Distribution of wealth.
   - Encouragement of middle class sections.

3. ‘Alcohol beverages are prohibited to be advertised on media’. Which component of general environment prohibits advertise? What values are boosted by the government?

- Welfare of the family/society
- Protection, care for the society
- Reduction of prevalent social evil
- Abiding the law.

4. The government restricted the use of LPG cylinders to only nine per family per year. Name the dimension of business environment highlighted in the above. Explain the dimension. What is the value hereby elicited by the government?

   Economic Environment
   - Encouraging the use of alternate resources.
   - Economically usage of commodities
   - Proper utilisation of scarce resources
   - To be conscious to live within limited budget of available commodities

5. ‘Demand for reservation in jobs for minorities’. Identify the type of dimension of business environment. State the values promoted in the above case.

   Social Environment
   - Preferences to minority section
   - Improve their standard of living
   - Being considerate
   - Equality
6. Male CEOs are most preferred for all type of organization. Don’t you think female executive need to have a fair chance? If so give valuable suggestions.
(a) Women empowerment.
Equality
Recognising the talent..
UNIT – 4 PLANNING

1. The CEO of XYZ Ltd. an automobile enterprise dreams of his company becoming the best player in future, for which he sets the objectives, forecasts the future and develops various courses of action.

i) Identify the management function which is highlighted here.

ii) What are the various values the CEO is striving to achieve?

Answers:

i) Planning is the Management function

ii) The values the above mentioned paragraph highlight are:

a) Hard work helps individuals to turn their dreams into reality

b) Initiative, confidence, commitment

2. What values does planning emphasize by reducing wasteful activities and establishing standards?

Answer:

i) Social responsibility

ii) Empathy, Harmony

iii) Motivation, Cooperation

3. “Planning is a mental exercise”. What human value is being emphasized?

Answer:

Adaptability, team spirit, sense of judgement.

4. “Planning reduces creativity”. What value is violated in this statement?

Answer:

Initiative, Motivation, Confidence in subordinates.

5. What values does the Manager practice by revising the plan?

Answer:

Adoptability and Adaptability.

6. If rules are flexible and different for different people what values are being violated?

Answer:

Equity, discipline and orderliness.
UNIT – 5 ORGANISING

1. The Informal Organization is used primarily for spreading rumors. Its existence cannot be removed. What values should be imbibed to make the Informal Organization effective and useful?
   (a) Mutual understanding.
   (b) Empathy.
   (c) Caring.

2. An Organization should allocate work to employees who are best suited for the job. In practice, it is not so; most business organizations are dominated by fresh engineers, B-school graduates. Experience persons are not given preference in the present scenario. What values are missing in these kinds of job allocation? Give suggestions.
   (a) Recognition
   (b) Respect for seniority.

3. A manager, no matter how capable he/she is, cannot manage to do every task on his/her own. Effective delegation reduces his/her workload. Though work is delegated he/she is still accountable.
   (i) Why is accountability absolute?
   (ii) What values does accountability bring in?
   (a) Responsibility
   (b) Answerability.
   (c) Cooperation.

4. A lot is spoken about decentralization and its merits but in the walk of life this had led to a lot of scandals. What values should be followed in order to avoid such scandals.
   (a) Honesty
   (b) Team spirit
   (c) Unity.
UNIT – 6 STAFFING

7. A company proposes a salary structure in its advertisement, but later follows a completely different salary structure i.e. less than quoted. What kind of reactions will it evoke? Mention the values ignored.
   (a) Honesty
   (b) Trust.
   (c) Commitment.

8. Transfer is used as a tool to threaten employees. Is it a right attitude? What values are ignored?
   (a) Democracy.
   (b) Empathy.
   (c) Motivation.

9. Campus Recruitment is a good source of recruitment. But there is a wide difference in their salary structure, when compared to others who are appointed through other sources. List the values ignored here.
   (a) Honesty
   (b) Trust.
   (c) Equality.

10. There is favoritism shown by some senior executives, in terms of promotion, hike in salary, granting of leave. Will employees be happy in such an environment. What values are to be adopted?
    (a) Equality.
    (b) Motivation.

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UNIT – 7 DIRECTING

1. Goodwill Tyre manufacturing Co. appoints Mr. Ravi as supervisor of their production department. He is kind and guides his subordinates. He clarifies their doubts in performing the task. This helps the worker to achieve their targets. As a supervisor, what functions will you perform to cope with the situation. What positive values exhibited by Mr. Ravi?
   - Help
   - Motivation
   - Compassion
   - Responsible

2. Mr. Vimal Nath, a sales manager, achieved his sales targets one month in advance. His achievement was displayed on the notice board and a certificate for the best performance was awarded to him by the CEO of the Co. Name the type of incentive offered to the employees. What values can be generated among the workers by adopting this incentive?
   - Recognition
   - Motivation
   - Sense of appreciation
   - Encouragement
   - Inspiration to other workers

3. In an organization, all employees take things easy and are free to approach anyone for minor queries and problems. This has resulted in everyone talking to each other and thus resulting inefficiency in the office. It has resulted in loss of secrecy and leakage of confidential information. What system do you think the manager should adopt to improve communication? What values are overlooked by the management in the above case?
   - Discipline
   - Honesty
   - Loyalty

4. Mr. Singla is a production manager in a leather manufacturing unit. He was very strict and does not have cordial relations with his subordinates. So, the subordinates always feel they are under stress and they are not working in a good environment. The subordinates always take least initiative and fear to express their problems or suggestions before Mr. Singla. What do you think is wrong with Mr. Singla? Name the values which are ignored.
   - Contextual: Not able to provide effective leadership to his workers.
   - Values:
     - Empathy
     - Respect
     - Initiative

5. Nippon Ltd. an organization manufacturing generators. The marketing manager delegates the task to five sales representatives working under him. Among them the three sales representatives was able to achieve their respective targets. As a result the marketing manager talks to the CEO of the company to recognize the performance of the three sales representatives. The company decides to upgrade their cadre and their salary package also. Name and explain the element of directing function which the company assures the three representatives to achieve their targets. What values does the company inculcate to the other two sales representatives?
   - Commitment
   - Responsibility
   - Hard work
   - Cooperation
1. An effective system of controlling discourages dishonesty among employees. What values does this statement imply?

Answer:
Orderliness
Discipline
Honesty

2. The employees in an organization are aware of the standards against which their performance will be compared. Highlight the significance of controlling function. Identify the value highlighted in this statement.

Answer:
Motivation

3. Give examples of values which are in the form of qualitative standards.

Answer:
Loyalty
Team spirit
cooperation

4. What value does the Manager establish through a proper measurement of actual performance?

Answer:
Objectivity
Impartial

5. What is Management by Exception? Identify the values promoted by it.

Answer:

i) Use of resources
ii) Responsible

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UNIT - 9: FINANCIAL MANAGEMENT

1. What is the aim of financial management? State the value that should be kept in mind while setting the objectives of financial management. (1)
   Ans:
   Honesty
   Social Responsibility
   Commitment

2. Why are Investment decisions crucial for a business?
   What values are considered while taking this decision? (3)
   Ans: Utmost care/commitment, Accountability.

3. Financial Planning is essentially the preparation of a financial blueprint of organizations’ future operations. The objective of financial planning is to ensure that enough funds are available at right time.
   i) What will happen if enough funds are not available at the right time? (4)
   ii) State any two importance of financial planning.
   iii) Identify the value which is being emphasized in financial planning.
   Ans: Coordination, Unity, Responsibility, Reliable, Decisiveness.

4. Investors generally view increase in dividend declared as a positive note, and stock prices react positively to it but on the other side Companies Act places certain restrictions on payouts as dividend.
   These restrictions are adhered to while declaring the dividend. (4)
   i) Identify the factor affecting dividend decision under which investor considers the increase in dividend as a good news.
   ii) Identify the value which is being emphasized by the Companies Act in placing certain restriction on payouts as dividends.
   Ans: Safety
   iii) Identify the value which is being emphasized when company declares dividend as per the provisions of the Companies Act.
   Ans: Respect for Law

5. A company is planning to expand. The ROI is below the industry average. Cash flow position is also not too good. (3)
   i) Suggest the source of finance it must choose to go ahead with its plan.
   ii) If they choose to raise funds by Debt what value is lacking in it?
   Ans: Honesty, Transparency.
UNIT – 10  FINANCIAL MARKET

1. A company wants to expand and raise funds by issuing shares to select individuals known to them closely and not going in for public issue. (1)

i) Name the method of floating in the above case?

ii) What values must be kept in mind in the above issue?

Ans: Fair, transparent, honesty.

2. What values do you think is needed for a broker who operates the financial transactions for his clients? (1)

Ans: Sincerity, Faithful, Trust and Empathy

3. Mr. X one of the directors of XYZ Ltd knew that bonus shares were to be announced in the next meeting and he expected the price to rise. He bought 10,000 shares. By the end of few weeks the price increased by Rs.9 He sold his shares and made huge profit. (3)

i) Name the Act of Mr.? Is it permitted?

ii) What value is lacking in him?

Ans: He lacks integrity, honesty, trust

4. A Stock exchange is an institution which provides a platform for buying and selling of existing securities. As a market, the stock exchange facilitates conversion of a security into money and vice versa. Stock exchanges help companies to raise finance, provide liquidity and safety of investment to the investors, pricing of securities etc. (3)

i) State two more functions of Stock exchange.

ii) Name the values which stock exchange strives to fulfill through its functions.

Ans: Safety, transparency, fairness.

5 NSE is the latest, most modern and technology driven exchange. It is set up by Leading financial institutions, banks and insurance and other financial Intermediaries and managed by professionals. (3)

i) State the objectives with which it was set.

ii) What values are looked upon by National stock exchange to serve the various stakeholders?

Ans: Equality, Timeliness, safety.
UNIT - 11– MARKETING

1. It is one of the elements of market mix which contains one of the most important decisions that a marketer has to take to promote sales. This decision was taken by Mr. Mukund, Marketing manager of Intel Ltd. which facilitated the customers in product identification and hence ensured quality. It also built up their confidence and help in increasing their level of satisfaction. Apart from this, they provide educational scholarships for poor children in the society. Identify the element of marketing mix.

Name any two values being emphasised by ensuring quality products for customers and by running an orphanage home.

ANSWER: Respect

Humanity

Social responsibility

2. Mr. David, working as Sales executive in Mahalaxmi Ltd. possesses good marketing techniques. His techniques involve oral presentation of message in the form of conversation with prospective customers for the purpose of making sales. Name the promotional tool used by Mr. David.

Identify the values which can be inculcated by using the technique in the above case.

ANSWER: Confidence.

Customer Relations

Creating goodwill

3. Gupta & Co. is manufacturing cosmetics. They decide to launch a new range of herbal products. As they are in a hurry, they have tested the products on rats only. The necessary information is missing on the package. The management also plans to launch a new factory in a tribal area where the required products are easily available and the labour-men, women and children are available for work at low wages in the absence of development opportunities and schools.

(i) Which values do you find disturbing in the above para?

(ii) Will the decision to install a new unit in a tribal area help society? Highlight the social values involved in his decision.

ANSWER: (i) Cruelty towards animals and no respect for law (Child labour)

(ii) Balanced regional development: By launching a new Factory in the tribal area.

(iii) Social responsibility

(iv) Women empowerment

4. ABC Ltd. manufactures computer appliances. They massively advertise about their products with incomplete & wrong information. More or less their products are not of superior quality. They charge higher prices for their products.

State the objections to above advertising.

(i) Name the values which are not followed by ABC Ltd.

ANSWER: Honesty – by charging higher prices for inferior quality.

Responsibility -- should provide complete information about the products.
UNIT – 12 – CONSUMER PROTECTION

1. Under the Consumer Protection Act, every consumer has a right to be protected against goods and services which are hazardous to life and health. Alpha Ltd. manufactures and sells substandard refrigerators. As these appliances did not confirm to the safety norms and a mark assuring quality specification was missing. Cases were noticed where these substandard refrigerators had caused serious injury to many consumers.

Suggest any two precautions to be taken by the consumer while purchasing the refrigerator. Which values do you find disturbing in the above paragraph?

ANSWER: Social responsibility: Goods which are hazardous should not be provided to the consumers.
Honesty – By not providing the complete information about the product to the consumers.

2. The owner of a restaurant is charging Rs.40 for a bottle of juice from a customer whereas the maximum retail price of the bottle of juice is Rs.17. One of the consumers (a member of NGO) has objected to this but the owner continues to do this malpractice.

(i) Identify any two social values that the traders must follow?

ANSWER: Honesty – The manufacturer should be honest in all his dealings.
Respect towards consumers – By providing all information about the product which the consumer intends to buy including its ingredients, date of manufacture, expiry, price quantity etc.

3. Harsha purchased some grocery items from a general store. After reaching home she found a talcum powder in her bag which was not billed for. She checked the date of expiry and other details and after satisfying herself she started using it. Immediately she developed some skin problems.

(i) What are the values to be conveyed to the society from the above and how?

ANSWER: Honesty – The value may be conveyed to the society from the above case in two ways:
She should have returned the talcum powder to the shopkeeper.
She would have paid the cost of the product to the shopkeeper.

4. A consumer has the freedom to choose from a variety of products at competitive prices. The marketers should offer a wide variety of products in terms of quality, brand, price, size etc. Ramya (a class X student) was in need of a geometry box. She went to the nearest shop and the shopkeeper showed her a variety of geometry boxes at different prices. She selected a box and paid Rs.300, the maximum retail price of the box, and took the cash memo for the same.

Name the consumer right exercised by Ramya.

Name the values which are emphasized in the above case.

ANSWER: Respect towards the consumers – by providing a wide variety of brands.
Honesty, Loyalty, Sincerity
5. Prakash purchased an ISI Mark electric induction stove from 'Rama electricals. While using he found that it was not working properly. He approached the seller and complained for the same. The seller satisfies Prakash by saying that he will ask the manufacturer to replace this induction stove.

Name the consumer right Prakash exercised in the above situation.

Name the value which is followed in the above case.

ANSWER: Honesty, Respect, Loyalty, Faithfulness, Trust.