

EASTERN UNIVERSITY, SRI LANKA

Faculty of Commerce and Management

**First Year /First Semester Examination in Bachelor of Business Administration
and Bachelor of Commerce 2016/17 (July/August – 2018)**

Proper/Repeat

MGT 1024 Principles of Management

Answer all five (5) questions

Time: 03 hours

No. of Pages: 5

Read the case and answer the questions given below

Nitish is 23 years old and will be receiving his professional PG degree in HRM from the university at the end of this semester. He had spent the past two years filling in on a number of different jobs while employees took their vacations. He has received and accepted an offer to join AIC on a permanent basis upon post graduation, as a supervisor in the policy renewal department. AIC is a large insurance company. In the HQ office alone, where Nitish will work, they have 5000 employees. The company believes strongly in the personal development of its employees. This translates into a philosophy, emanating from the top executives offices, of trust and respect for all AIC employees. The job Nitish will be assuming requires him to direct the activities of 25 clerks. Their job requires little training and is quite routine in nature. A clerk's responsibility is to ensure that renewal notices are sent on current policies, tabulate any changes in premium from a standardized table, and advise the sales division if a policy is to be cancelled as a result of nonresponse to renewal notices. Nitish's group is composed entirely of women, ranging from 19 to 62 years of age, with a median age of 25. For the most part, they are matriculates with little prior working experience. The salary range for policy renewal clerks is Rs. 2,500 to Rs. 3,000 per month. Nitish will be replacing a long time AIC employee, Ajay Ajay is retiring after 35 years with AIC, the last 14 spent as policy renewal supervisor. Since Nitish had spend a few weeks in

Ajay's group last summer (SIP), he was familiar with Ajay's style and also knew most of the group members. He anticipated no problems from any of his soon-to-be employees, except possibly for Jawahar. Jawahar was well into his fifties, had been a policy renewal clerk for over a dozen years, and as the grand old man', carried a lot of weight with group members. Nitish concluded that without Jawahar' support, his job could prove very difficult.

Nitish's is determined to get his career off on the right foot. As a result, he had been doing a lot of thinking about the qualities of an effective Leader.

Questions:

- a. What are the critical factors that will influence Nitish's success as a leader? Would these factors be the same if success were defined as group productivity?
- b. What suggestion might you make to Nitish to help him over or control Jawahar?
- c. Describe the style you think would be most effective for Nitish.

(17 Marks)

- Q2)
- a. What are the stages in decision-making process and briefly explain the importance of each stages?
(06Marks)
 - b. Douglas McGregor proposed two different sets of worker assumptions as Theory X and theory Y. Explain the assumptions of Theory X and theory Y
(05 Marks)
 - c. What are the benefits and limitations of 'Work Specialization'.
(05Marks)
 - d. The span of control is determined by the tall and flat structure of the organization. Describe the tall and flat structure with a support of diagrams.
(04Marks)

(Total 20 Marks)

-) a. 'Managers create the conditions and environment that enable organizations to survive and thrive beyond the tenure of any specific supervisor or manager'. Explain this statement through the **functions of Management**. (06 Marks)
- b. Define the terms **Centralization** and **Decentralization** and give the advantages of these two? (06 Marks)
- c. Explain the **stages of Group Development** and state the importance of each stages. (06 Marks)

(Total 18 Marks)

-) a. Describe the needs in **Maslow's Hierarchy of Needs** and explain the rationale behind this hierarchy. (06 Marks)
- b. What are the **stages** you can identify in **controlling process** and state the types of control applied in the organization? (06 Marks)
- c. What are the **components/ factors of Internal environment of the organization** and give the **dimensions of Organizational Culture**. (06 Marks)

(Total 18 Marks)

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Fill in the blanks with appropriate answers in this question paper. All the blanks carry one mark each.

- a) Henry Mintzberg describes a set of ten roles that a manager fills. These roles fall into three categories:..... and
- b) One of the earliest classifications of managerial functions was made by *Fayol*, who suggested that **planning**,, **coordinating**, **commanding**, and were the primary functions
- c) Alternatives to specialization are **job rotation**, and
- d) is called the **father of scientific management**.
- e) In organizational settings, there are usually five kinds of power; **legitimate**,, **coercive**, and power.
- f) In the leadership Grid the horizontal axis represents **concern for production** and horizontal axis represents **concern for**
- g) In Herzberg theory regarding of **Hygiene factors** if those factors are not present the status is considered as dissatisfaction and if those are present it is, while

if motivational factors are not present the status is considered asand if present.....

- h) Management is the process of achieving organizational objectives by **efficiently** using limited resources.
- i) The classical approach to management thoughts includes **scientific management theory**, and
- j) Name the organizations identified by the abbreviations:
GATT
SARRC.....
ASEAN.....
- k) Recognition of the close link between an organization's decisions and activities and its **impact on the natural environment** is called
- l) **Principles, values, and beliefs** that define what is right and wrong behavior is defined as
- m) The goal directed effort depends on **goal difficulty**,, **goal acceptance**, and in **goal setting theory of motivation**.
- n) The leadership styles in **Vroom Leadership participation styles** are **decide**,, **consult group**,, **delegate**.
- o) Develop the plan, translate the plan,, execute the plan, and monitor and learn are the five elements in **organizational planning process**.

(27Marks)