

**GUJARAT NATIONAL LAW UNIVERSITY
GANDHINAGAR**
Course: Principles and Practices of Management
Semester-I (Batch: 2014-19)



End Term Examination: Oct-Nov. 2014

Date: 29th October, 2014

Duration: 3 hours

Max. Marks: 50

Instructions:

- Read the questions properly and write the answers in the given answer book.
- The respective marks for each question are indicated in-line.
- Do not write anything on the question paper.
- Indicate correct question numbers in front of the answers.
- No questions or clarifications can be sought during the exam period, answer as it is, giving reason, if any.
- **Justify each answer with relevant example.**

- | | Marks |
|---|------------------------|
| Q.1 Answer any four of the following questions: (Word Limit: 800 words) | (4x7=
28) |
| a. Discuss Hawthorne experiments. Explain its significance to the managers from Management's historical perspective.
b. What do you understand by the concept of social responsibility of businessman? Why should they develop a sense of social responsibility? Discuss.
c. Discuss the role of WTO. Explain challenges of doing business globally in today's world.
d. 'Having designed the organizational structure, to suit the specific needs of the company and its environment, on the basis of most efficient grouping, it becomes desirable to ensure that these differentiated groups are integrated towards the common organizational objectives' - Elaborate and discuss the underlying issues in this statement.
e. What is departmentalization? Discuss the basis for departmentalization with suitable examples. | |
| Q.2 Write short notes on any three of the following: (Word Limit: 400 words each) | (3x4
=12) |
| a. Contingency approach of management
b. Court management
c. Total quality management
d. Green Management | |
| Q.3 Read the passages and answer the questions: (Word Limit: 300 words each) | (5+2.5
+2.5
=10) |
| I. <u>The Welch Paradox of Management</u> | |

Jack Welch (of General Electric) made it very clear that he wanted his managers to manage less. He wanted them to do less monitoring and less supervising and to give their employees more latitude. Conversely, he wanted far *more* decision making at the lower levels of the company. Obviously, he wasn't suggesting that managers should knock off at noon every day and head for the golf course. Far from it!

But he didn't want his managers interfering with their employees at every turn. Instead,

he wanted them to concentrate on *creating a vision* for their employees and to make sure that the vision was always on the mark and was being acted upon.

This is counterintuitive. Isn't it? Aren't managers supposed to manage? If they manage less, won't the overall performance of the business suffer? Who will make sure employees are working as hard as they can? Who will monitor inventory levels? Who will worry about maintaining the quality of the product?

In addition, managers *want* to manage. They want to keep their fingers on the pulse of the business and keep close tabs on their employees.

Welch responds with one word: *Relax*. Stop getting in people's way. Cut them some slack. Stop looking over their shoulders. Stop bogging them down in bureaucracy.

Let them *perform*.

*29 Leadership Secrets from Jack Welch –
By Robert Slater*

- a. Give your views on the management style of Jack Welch. Is it really paradoxical to conventional management principles?

II. Case Study

Major Mohanty, a retired man from the army, joined as Managing Director (MD) in Sunrise Limited, when the company was passing through a very bad period with declining production and productivity, heavy losses and low morale of the employees.

Major Mohanty, after having made in-depth, logical and strategic studies of the situation, immediately flagged on what he called 'operation rejuvenation', with exclusive thrust on production and productivity related issues. People related matters were of no consequence for him, he believed that people, by and large, are dull, lazy, shirkers and non-starters and as such work should be extracted from them only through constant watch, close supervision, complete and rigorous command and control. His style of functioning did yield the expected results, but before any significant impact could be seen, he abruptly left the organization, having got a better assignment in the United States of America.

Major Mohanty was immediately succeeded by Mr. Soni, a man who had made a name for his balanced approach to people and production through participative style of management in his immediate position as the Deputy MD of a large organization in a similar product line. He was, in fact, commended for his maximum concern for both people and production, and for bringing about an ideal integration and harmony between the needs of the employees and those of production.

In the present company also, Mr. Soni continued his policies of participative management with equal concern for both production and people. With a view to revive the company back to health, he instituted some major changes. First of all, he decentralized the organization so that the subordinates could exercise their discretion and initiative in decision making, as also their imagination and creativity in performing other managerial functions.

Further he empowered the junior managers to incur expenditure up to an approved limit without seeking prior approval of the higher management. The communication system was also improved to facilitate free flow of upward and downward communication.

Mr. Soni also adopted several measures to reduce costs and wasteful expenditure. He banned donations to charitable institutions, but increased the amount being spent on the welfare activities of the employees.

Will Mr. Soni's managerial style prove to be effective in ensuring a bright future of the company? Some employees are of the view that a lot of things are being done, but they might not be effective in the long run. Others disagree with them, and say, 'Okay, we will give it a trial.'

Questions:

- a. Was Major Mohanty a theory 'X' or a theory 'Y' Manager? Explain with reasons.
- b. Identify the possible problems that can arise from Mr. Soni's way of institutionalizing the changes in rules and regulations.



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