

Internal Assessment Test 1 – Nov 2021

Solutions

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| Sub: | MANAGEMENT AND ENTREPRENEURSHIP FOR IT INDUSTRY | | | | | | Code: | 18CS51 | |
| Date : | 11 th Nov 2021 | Duration: | 90 mins | Max Marks: | 50 | Sem: | V | Branch: | CSE – A,B & C |

Note: Answer any five questions:

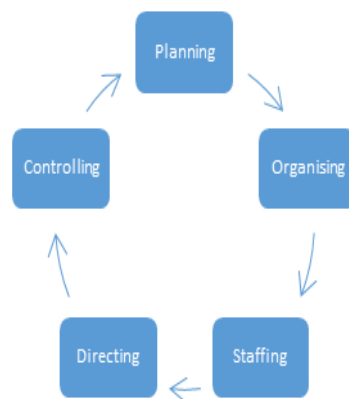
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| 1 | <p>a) Define Management. (2M) Every business need the direction this direction is given by Management. “Management is conduct of affairs of business moving towards its objectives through a continuous process of improvement and optimization of resources” “Management is the process of designing and maintaining an environment in which individuals working together in groups effectively”.</p> <p>b) Discuss about the functionalities of management with examples. (8M) There are 5 essential functions of Management –</p> <ol style="list-style-type: none"> 1. Planning 2. Organizing 3. Staffing 4. Directing(Leading) 5. Controlling <p><u>Planning</u> Planning is an executive function that is referred to as decision making.</p> <ul style="list-style-type: none"> ▶ Setting short and long term goal for organization ▶ Selecting objectives , strategies and policies for accomplishing the planned goals ▶ Deciding in advance what to do, how to do, who has to do, when to do, where to do. ▶ Planning bridges the gap from where we are now to where we want to be in future. <p><u>Organizing</u></p> <ul style="list-style-type: none"> ▶ It is a part of management that involves in establishing an structure of roles for people to fill in an organization. ▶ Determination of activities required to achieve objectives. ▶ Grouping these activities into departments ▶ Assigning such groups of activities to managers. ▶ Making provision for coordination of activities. <p><u>Staffing</u></p> <ul style="list-style-type: none"> ▶ Staffing is an important function which makes provision for man power to fill different positions. ▶ Finding the right person for right job ▶ Placement, Training and developing new skills required for present and future jobs. ▶ Creating new positions ▶ Apprishing the staff and planning their growth and promotion etc <p><u>Directing (Leading)...</u></p> <ul style="list-style-type: none"> ▶ Next important function of management is directing or leading the people towards the | 10M |
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defined objective.

- ▶ Directing sub functions are –
- 1. Communication
- 2. Leadership
- 3. Motivation

Controlling

- ▶ Controlling is measuring and correcting of activities of subordinates to make sure that the work is going on as per the plan.
- ▶ Establishing standards of performance
- ▶ Measuring performance and comparing with established standards
- ▶ Taking necessary corrective action to meet the set standards.



2

a) **Explain the contribution of F.W Taylor to the theory of management. (8M)**

F.W.Taylor

- The “father” of scientific management
- Published *Principles of Scientific Management* (1911)
 - The theory of scientific management
 - Using scientific methods to define the “one best way” for a job to be done:
 - Putting the right person on the job with the correct tools and equipment.
 - Having a standardized method of doing the job.
 - Providing an economic incentive to the worker.

a) **Work Study** –

- ▶ Work study includes time and motion study
- ▶ He observed that workers were not producing their full capacity of work.
- ▶ Start recording the time required for each motion of job with the help of stop watch

10M

- ▶ The time required to complete one job was is standard time.
- b) Differential Payment –(Payment Plan)**
 - ▶ Taylor linked the incentives with production
 - ▶ Workers get minimum wage if he produces a standard number of pieces, if he produces more he is paid incentives.
 - ▶ This would motivate the workers to produce more.
- c) Reorganization of Supervision –**
 - ▶ Taylor observed that the workers himself had to plan his work and do the job
 - ▶ He advocated that the planning of work and selection of tools are to be done by foreman and the workers has to carry out the work
- d) Scientific Req and Training –**
 - ▶ Taylor has suggested the need for scientific training and development of a worker to carry out a specific task.

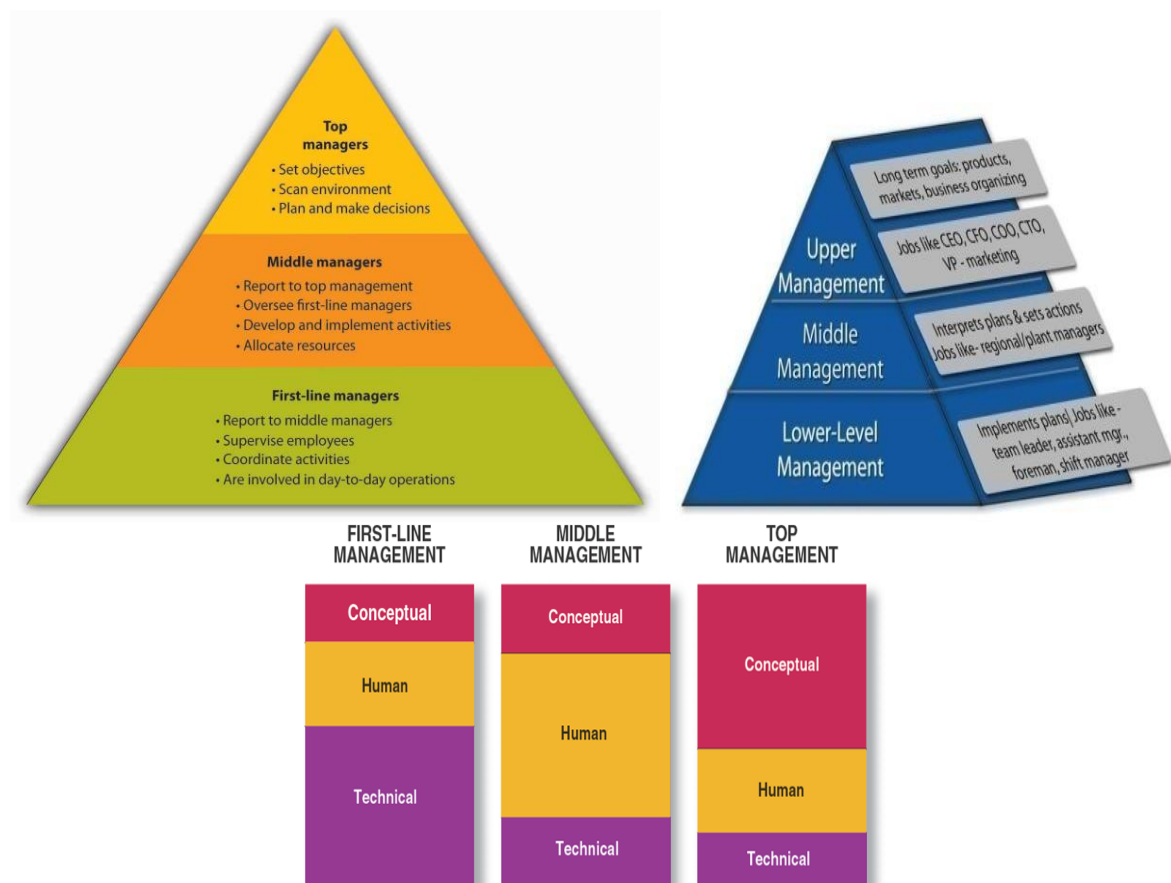
Taylor’s Five Principles of Management

- ▶ Develop standard methods for performing each job
- ▶ Select workers with appropriate abilities for each job
- ▶ Train workers in standard methods
- ▶ Support workers & eliminate interruptions
- ▶ Provide wage incentives

b) List out different levels of the management? (2M)

There are 3 levels of management –

1. Top level Management
2. Middle level Management
3. Lower level or first line Management





3

a) Discuss different types of organization structures with a chart highlighting their merits & demerits.

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Types of organization-

- **Different Types Of Organization Are:-**

1. Line Organization
2. Line & Staff Organization
3. Functional Organization
4. Matrix Organization

1. **Line Organization –**

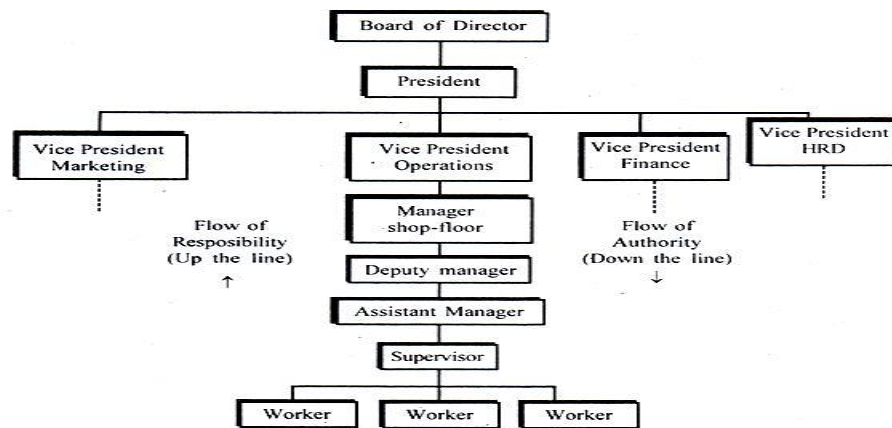
The Line organization is delegated directly from top to bottom. There is vertical line of authority running from top to the bottom of the organization. The man at the top has the highest authority and it is reduced at each successive level down the hierarchy. Suitability: This kind of structure is suitable for smaller organizations.

Advantages

- Clear Authority & Responsibility
- Easy to Understand
- One Supervisor Per Employee

Disadvantages

- Inflexible
- Long Line of Communication
- Difficult to Handle Complex Decisions



2. Line & Staff Organization

Staff authority is used to support the line authority. Line and staff organizations have both line and staff executives. Line executives are assisted by staff specialists in planning, distribution, quality, legal, audit, public relations, etc. For example, a production manager (a line authority) does not have enough time and experience to handle labour relation problems. Staffs help them in doing so.

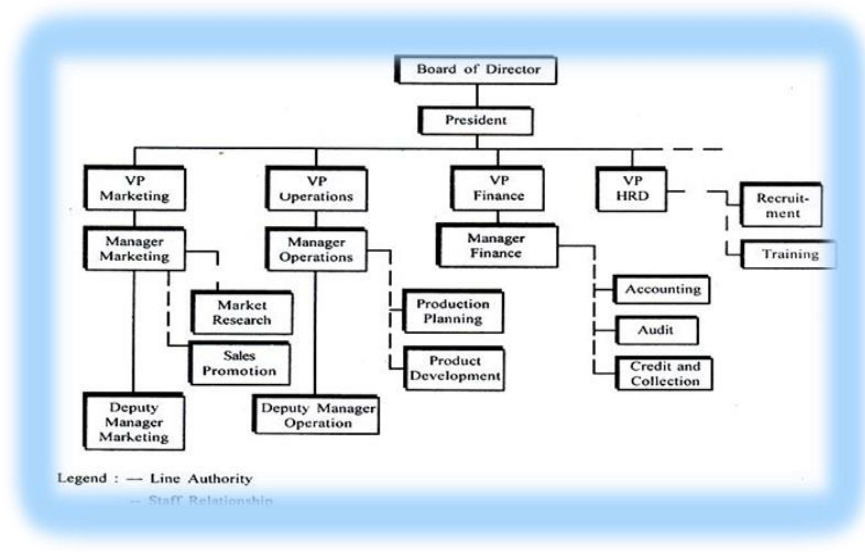
Advantages

- ⊙ Planned Specialization
- ⊙ Quality Decisions
- ⊙ Expert Advice

Disadvantages

- ⊙ Confusion
- ⊙ Ineffective staff
- ⊙ Line and Staff Conflicts

Suitability: This structure can be followed in large organizations.



3. Functional Organization –

A functional organizational structure is one on which the tasks, people, and technologies necessary to do the work of the business are divided into separate “functional” groups (such as marketing, operations, and finance) with increasingly formal procedures for coordinating and integrating their

activities to provide the business's products and services

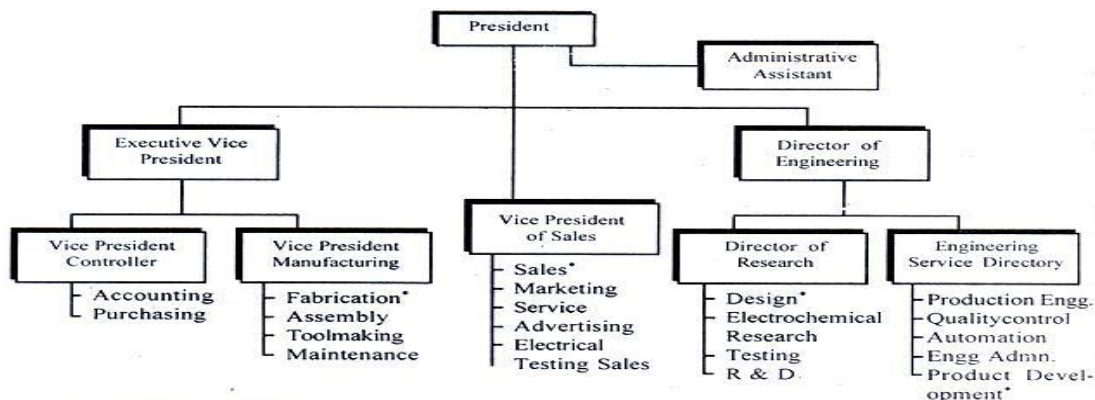
Advantages

- Specialization
- Executive Development
- Scope for Expansion
- Better Control

Disadvantages

- Violates the principle of unity of command
- Complexity
- Lack of coordination
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Suitability: It has been criticized by many authors due to violation in unity of command.



* Member of Task-force

4. Matrix Organization

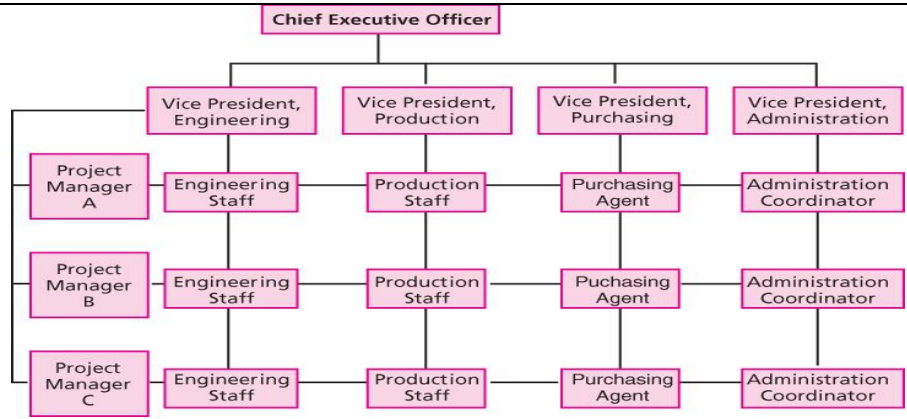
- Matrix organization has been developed to meet the need of large organizations for a structure which is flexible and technically sound. An individual has 2 bosses- his permanent and the project manager. Suitability- it can be successful only when there is an agreement among the key executive.

Advantages

- Flexibility
- Cooperation & Teamwork
- Creativity
- More Efficient Use of Resources

Disadvantages

- Costly/Complex
- Confusion
- Requires Good Interpersonal Skills & Cooperation
- Not Permanent



4

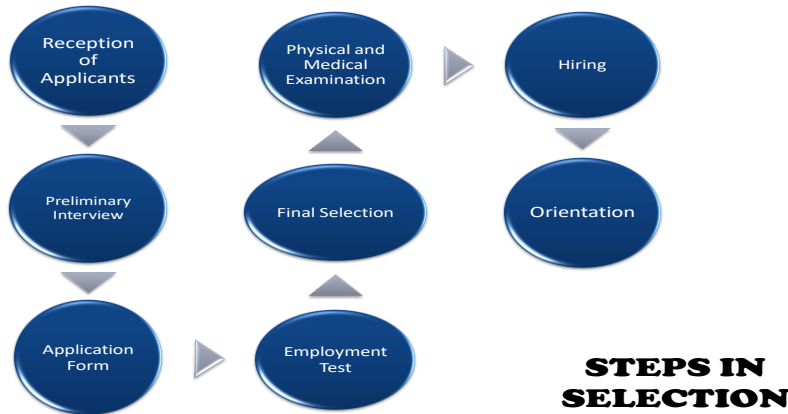
a) What is selection? Explain in detail the process of selection.

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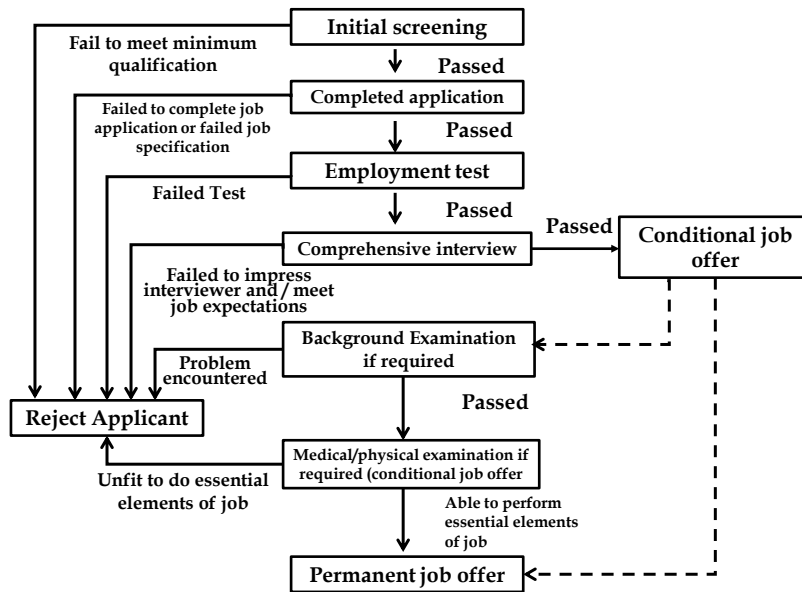
Selection –

Selection is the process of picking individuals who have relevant qualifications to fill jobs in an organization.

Selection is much more than just choosing the best candidate. It is an attempt to strike a happy balance between what the applicant can and wants to do and what the organization requires.



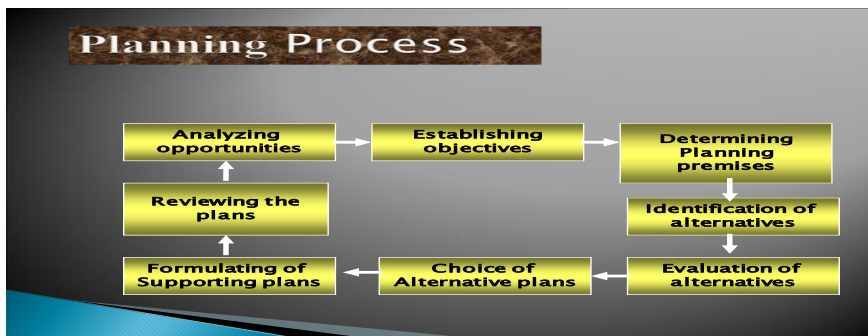
SELECTION PROCESS



5

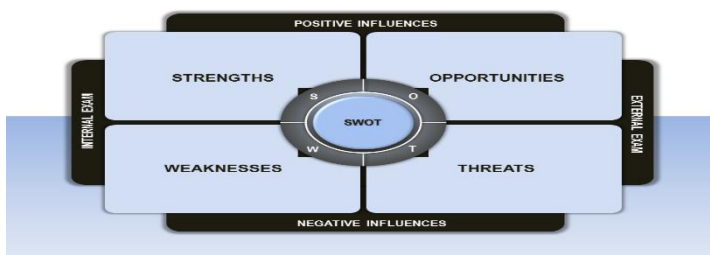
a) Discuss the steps involved in planning process.

10M



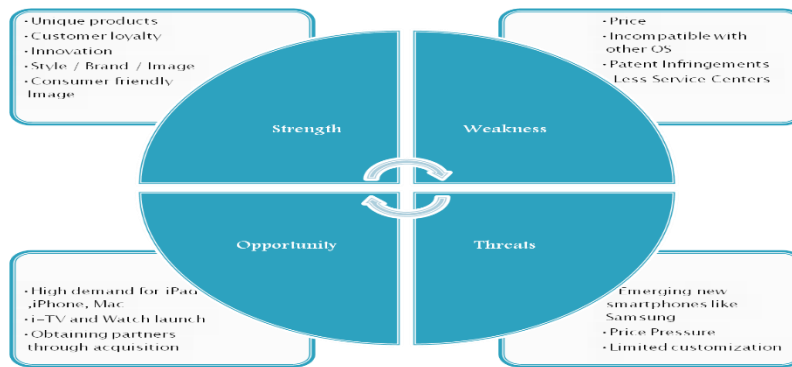
1. Analyzing opportunities

- Not a step of Planning, It is pre-step of planning.
- Essential to make a successful plan.
- SWOT analysis



- Strengths - the positive internal attributes of the organisation
- Weaknesses - the negative internal attributes of the organisation
- Opportunities - external factors which could improve the organisation's prospects

- Threats - external factors which could undermine the organisation's prospects



2. Establishing objectives

- First and real starting point of planning.
- Management has to define objectives in clear manner by considering organizational resources and opportunities because a minor mistake in setting objectives might affect in implementation of plan.
- Objectives must be specific, clear and practical.
- Objectives should be time bound

3. Determining Planning premises

- ▶ Premises are the assumptions about the future in which the planning is implemented.
- ▶ They provide environment and boundaries for the implementation of plan in practical operation.

There are 3 types of planning premises

- ▶ Internal and external premises
- ▶ Tangible and intangible
- ▶ Controllable and uncontrollable
- ▶ **Internal premises** with in the organization (Policies, investment, availability of equipments, funds etc)
- ▶ **External premises** means out side the organization (Govt policies, Economic conditions, population , demand)
- ▶ **Tangible premises** are the measurable premises like population, investment, demand etc.
- ▶ **Intangible premises** are those which cannot be measured like business environment, economic conditions etc
- ▶ **Controllable premises** like technical man power , input technology, financial investment etc
- ▶ **Uncontrollable premises** like strikes, change of govt policies, wars etc.

4. Identification of alternatives

- ▶ It is essential to identify all the possible hidden alternatives.
- ▶ There must be search for the best alternative. The management must develop alternatives through the support of experienced and intellectual experts in management sectors.

5. Evaluate the alternatives

- ▶ Evaluate the alternatives from their expected cost and benefits. This is the logical step to evaluate each alternative from its plus and minus points.
- ▶ Each alternative is studied and evaluated in terms of some common factors such as risk, responsibility, planning premises, resources, technology etc.

6. Formulating of Supporting plans

- ▶ It is essential to formulate action of supportive plan for each step of work and to all departments of the organization.
- ▶ These action plans involve formulation of policies, rules, schedule and budget to complete defined objectives. Thus, formulation of supportive plans is an essential step in planning process.
- ▶ It is difficult to implement main plan without formulation of derivative plan.

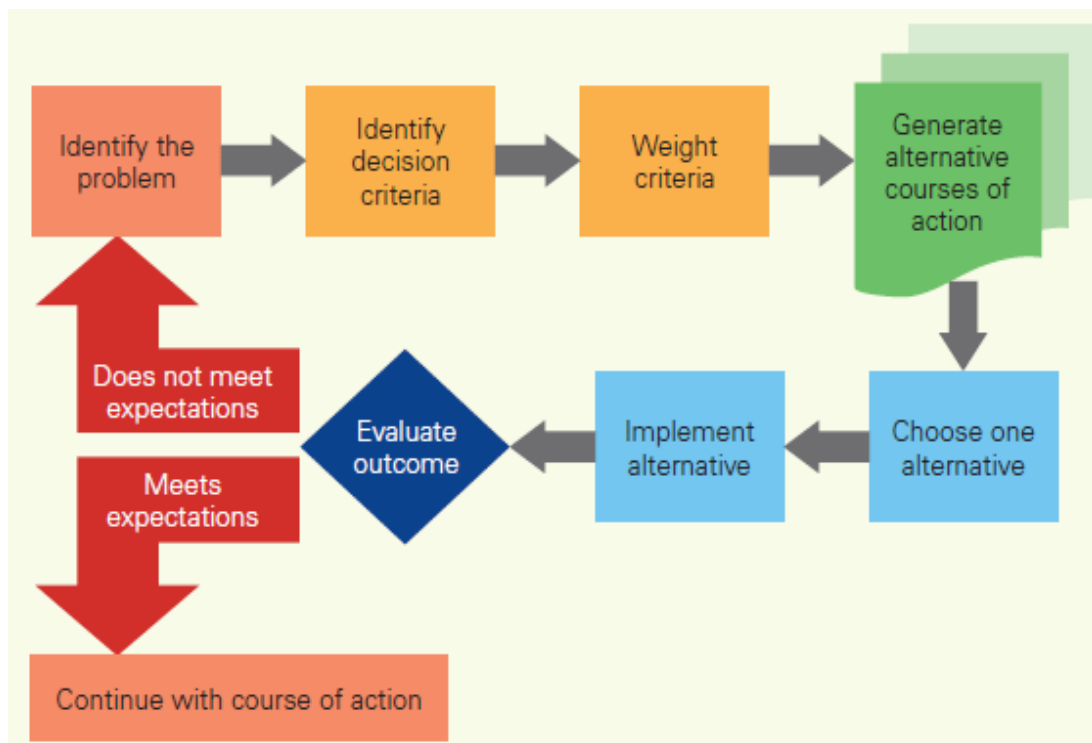
7. Implementation of Plan

- ▶ Without this step, other this procedure of plan will remain as paper work.
- ▶ This step brings all the procedure of plan into action.
- ▶ For implementation plan, management has to take some steps such as to communicate with subordinates who initiate to plan into action; provide necessary instruction and guidance; make arrangement of all resources like materials, machines, money, equipments etc; make timely supervision and control over subordinates.

a) Analyze the opportunities of Coca-Cola Company using SWOT analysis

| SWOT Analysis for the Coca-Cola Company | |
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| Strengths | Weaknesses |
| Good corporate culture | Strong existing competitors |
| Stable cash flows | Many substitute competitive products |
| Successful international expansion | Broad competitive set |
| Sophisticated marketing-mix models | Significant channel conflict |
| Manufacturing expertise | Seen as being disinterested in corporate social responsibility |
| Highly automated systems | Targeting price elastic markets |
| Efficient logistics system | Reducing customer lifetime values |
| Effective use of marketplace data | Limited number of new customers |
| Good identifier of market insights | A high-cost logistics system |
| Ability to leap-frog competitor's technology | |
| Strong retailer relationships | |
| Strong brand equity | |
| Consumer "love" for the brand | |
| Lots of key locations | |
| Highly effective sales team | |
| Successful product line extensions | |
| Broad product range | |
| High share of target markets | |
| Clear value proposition | |
| Clear segments targeted effectively | |
| Opportunities | Threats |
| Extend our brand into new areas (brand extension) | Key competitors gaining market share |
| Develop new products for international markets | Inability to grow the customer base long-term |
| Broaden our product range to target new segments | Products becoming outdated |
| Add more product line extensions | New products cannibalizing our existing sales |
| Target more price inelastic markets | Lost of unique product features |
| Attract new customers through special offers | Failed brand extensions |
| Use automation to improve performance | Decline stage of the product life cycle |
| Leverage our superior logistics system | Reaching market saturation |
| Improve our analytical marketing capabilities | Declining share-of-customer |
| Data mining of our customer database | A disconnected, and less loyal, customer base |
| Demand for home delivery services | Health concerns |
| Aggressively challenge substitute offerings | Increase in commodity prices |
| Leverage bargaining power with retailers | Home delivery competitors |
| Expand number of retailers | Industry price-war |
| Acquire a competitor's successful brand | Growing competitive set |
| Conduct more marketing experiments | Competitors targeting our product gaps |
| Supply private label brands for key retailers | Retailers not accepting our product line extensions |
| Reposition weaker products | Loss of a key retailer/channel |
| Introduce low-cost products under a new brand name | Organized consumer lobby groups |
| Identify and pursue relevant market gaps | Adverse media attention |

- a) **Problem statement : To buy smart watch (consider the parameters as per your requirements)**
Explain the decision making process for the above mentioned problem.



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