

Internal Assessment Test 1 – Nov 2022

Solutions

Sub:	MANAGEMENT AND ENTREPRENEURSHIP FOR IT INDUSTRY						Code:	18CS51	
Date	4 th Nov	Duration:	90	Max	50	Sem:	V	Branch:	CSE – A & C
:	2022		mins	Marks:					

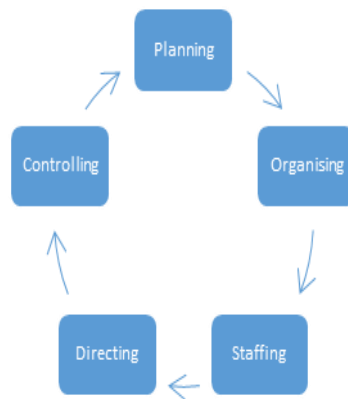
Note: Answer any five questions:

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 ▶ Apprising the staff and planning their growth and promotion etc <p><u>Directing (Leading)...</u></p>	10M
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- ▶ Next important function of management is directing or leading the people towards the 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

Name and explain the type of management theory, principles that attempts to increase the productivity of workers and provides a way for companies to most efficiently utilize their workers and for workers to complete their tasks in the "best" way possible with a minimum of wasted motions and with proper payments and supervision. (8M)

10M

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
- ▶ 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.

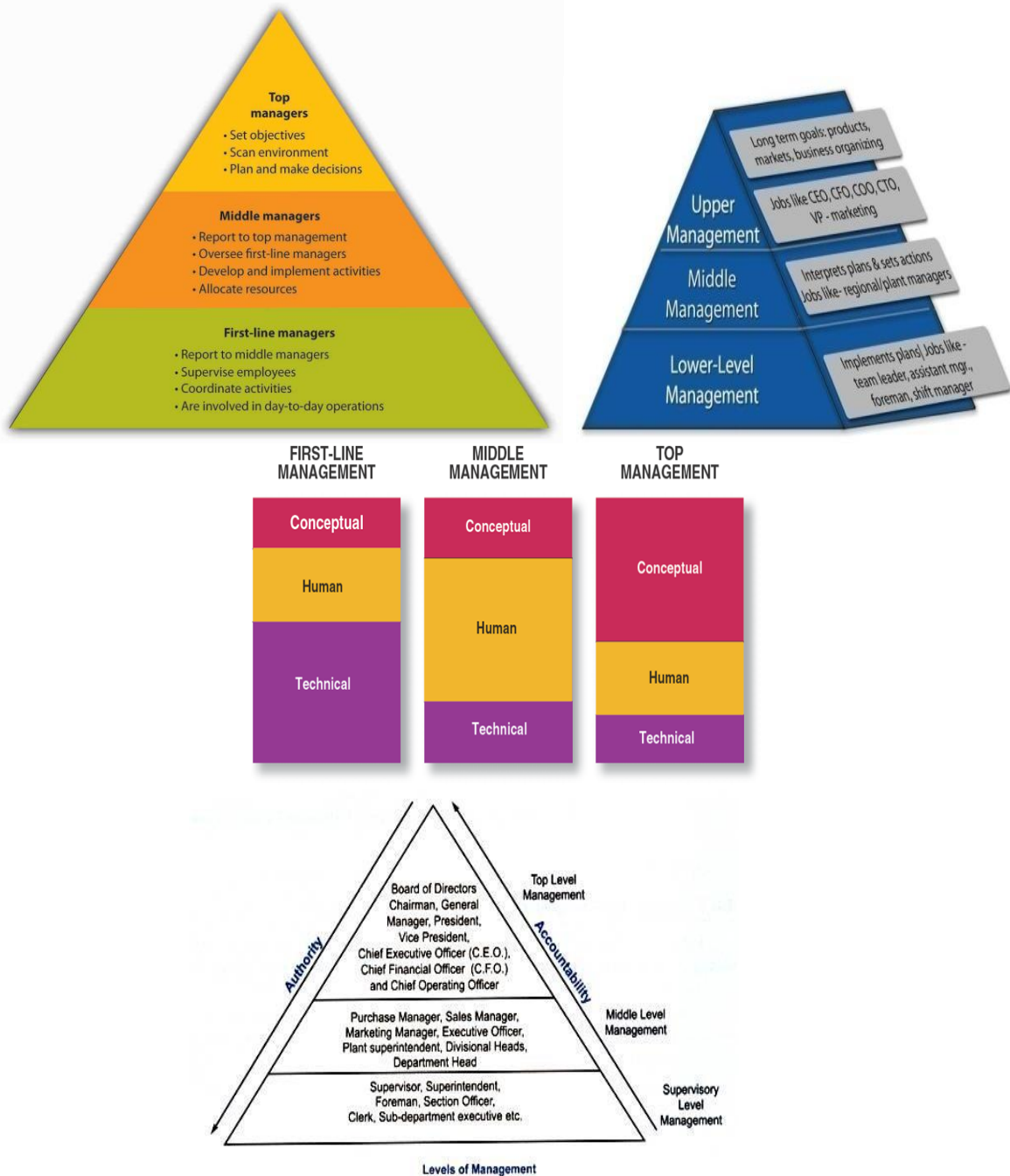
Taylor’s Five Principles of Management

- ▶ 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. Discuss about the flow of authority and responsibility in the 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. Consider an organization which has the departments like finance, marketing, production, research and HR; design a hierarchy chart with all types of organization with their merits and demerits.

10M

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

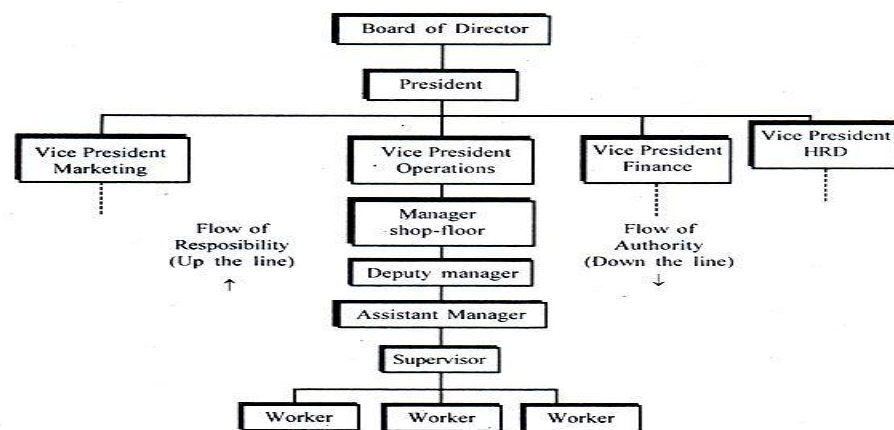
successive level down the hierarchy. Suitability: This kind of structure is suitable for smaller organizations.

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.

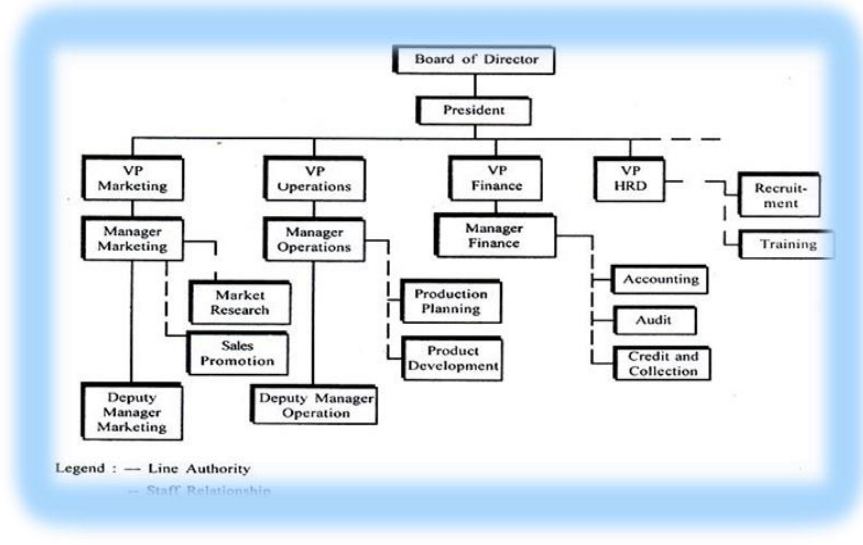
Advantages

- ⊙ 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

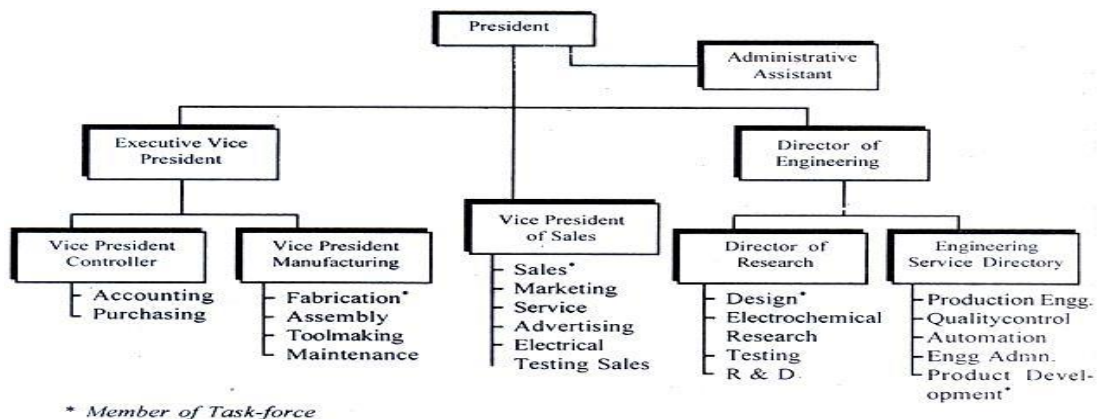
Advantages

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

Disadvantages

- Violates the principle of unity of command
- Complexity
- Lack of coordination
-

Suitability: It has been criticized by many authors due to violation in unity of command.



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

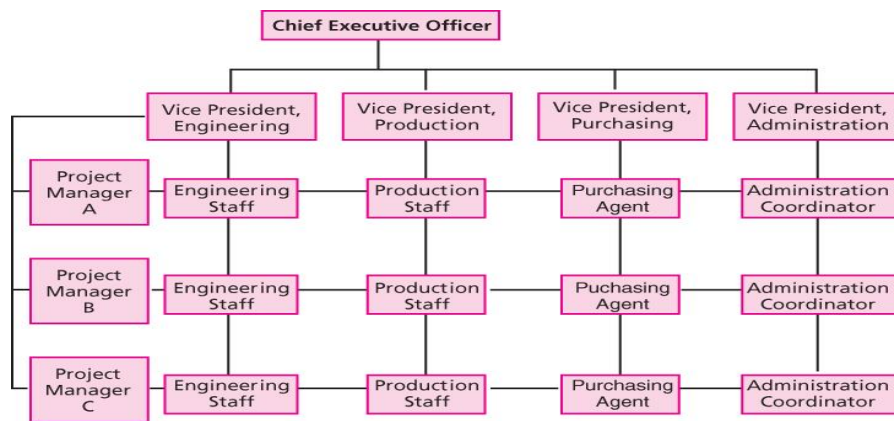
manager. Suitability- it can be successful only when there is an agreement among the key executive.

Advantages

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

Disadvantages

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



4

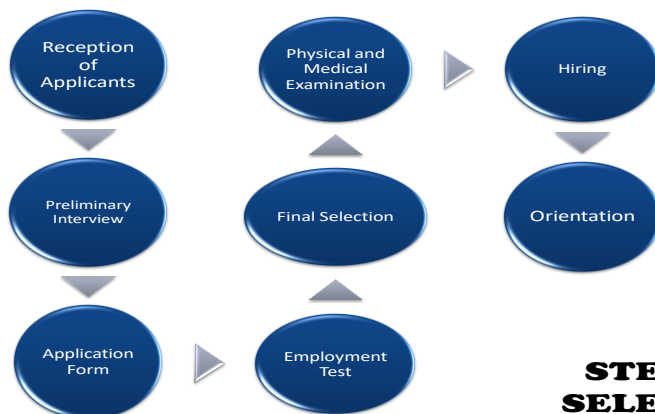
a) What is selection? Explain in detail the process of selection.

10M

Selection –

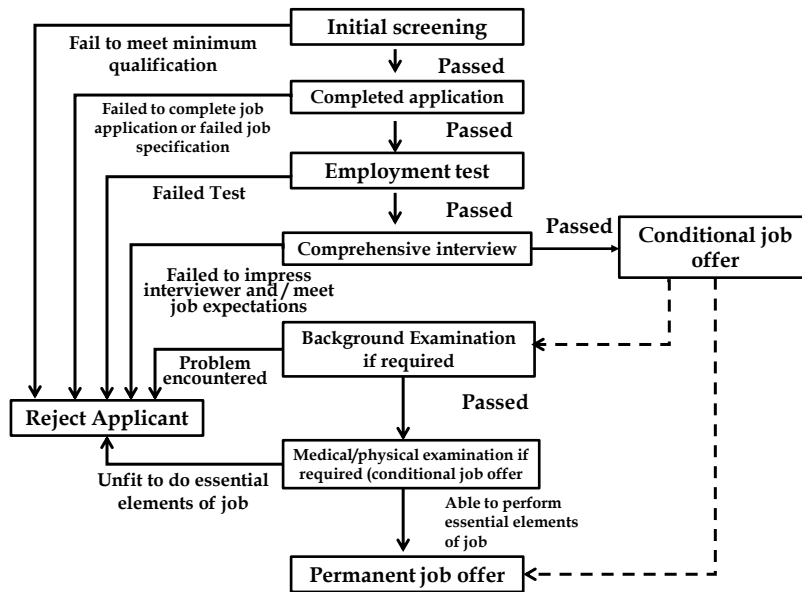
Selection is the process of picking individuals who have relevant qualifications to fill jobs in an organization.

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.



STEPS IN SELECTION

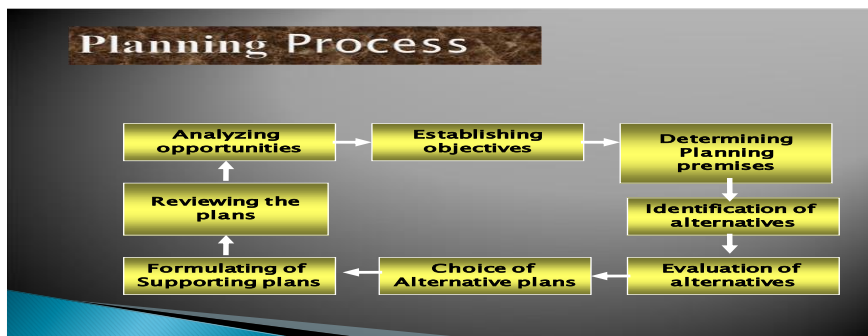
SELECTION PROCESS



5

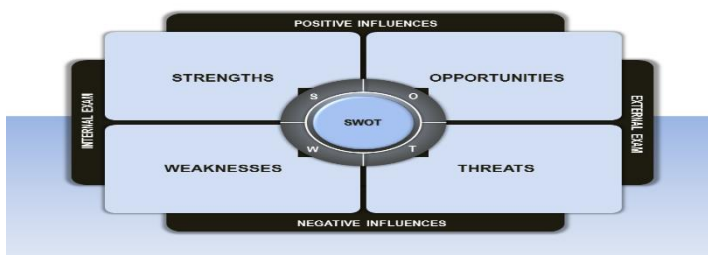
a) Discuss the steps involved in planning process.

10M



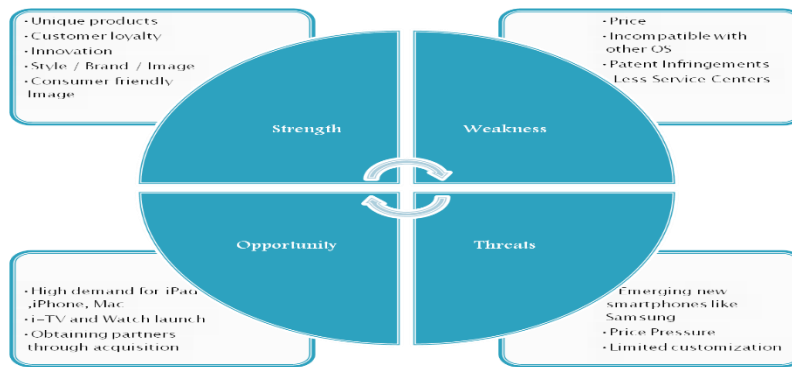
1. Analyzing opportunities

- 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. Let us take a look at how Amazon has seized the opportunity to successfully transform itself from an e-commerce company into a global leading technology company. When Amazon realized the limitations of the retail industry, it expanded its business boundaries promptly. Explain with the help of the analysis tool(SWOT) that determine Amazon to adopt the future direction and improvement actions taken.

SWOT ANALYSIS OF AMAZON



Business Strategy Hub

www.bstrategyhub.com

STRENGTHS

- Strong brand name
- Brand valuation
- Customer oriented
- Differentiation and Innovation
- Cost Leadership
- Largest Merchandise Selection

WEAKNESSES

- Easily imitable business model
- Losing Margins in Few Areas
- Product Flops and Failures
- Tax Avoidance Controversy
- Limited brick-and-mortar presence
- Declining consumer safety



OPPORTUNITIES

- Amazon can gain the opportunity
- By expanding physical stores
- Investing in Smart Materials
- Can do backward Integration
- More acquisitions
- Self Driving Technology

THREATS

- Few controversies
- Government regulations
- Links to exploitative [labor](#)
- Increasing cybercrime
- Aggressive competition
- Imitation

7

10M

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