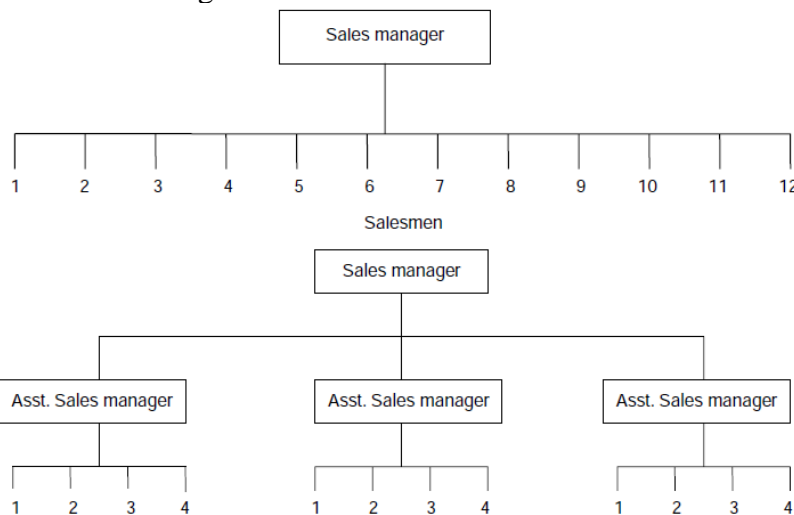


Answer Any FIVE FULL Questions

		Marks	OBE																												
			CO	RBT																											
1	<p>Discuss in detail the centralization Vs decentralization.</p> <p><b>Solution:</b></p> <div style="text-align: center;"> </div> <p style="text-align: center;"><b>CENTRALIZATION VS DECENTRALIZATION</b></p> <p>Centralization and Decentralization are the two types of structures, that can be found in the organization, government, management and even in purchasing. Centralization of authority means the power of planning and decision making are exclusively in the hands of top management. It alludes to the concentration of all the powers at the apex level.</p> <table border="1" style="width: 100%; border-collapse: collapse; margin-top: 10px;"> <thead> <tr> <th style="width: 15%;">BASIS FOR COMPARISON</th> <th style="width: 35%;">CENTRALIZATION</th> <th style="width: 50%;">DECENTRALIZATION</th> </tr> </thead> <tbody> <tr> <td>Meaning</td> <td>The retention of powers and authority with respect to planning and decisions, with the top management, is known as Centralization.</td> <td>The dissemination of authority, responsibility and accountability to the various management levels, is known as Decentralization.</td> </tr> <tr> <td>Involves</td> <td>Systematic and consistent reservation of authority.</td> <td>Systematic dispersal of authority.</td> </tr> <tr> <td>Communication Flow</td> <td>Vertical</td> <td>Open and Free</td> </tr> <tr> <td>Decision Making</td> <td>Slow</td> <td>Comparatively faster</td> </tr> <tr> <td>Advantage</td> <td>Proper coordination and Leadership</td> <td>Sharing of burden and responsibility</td> </tr> <tr> <td>Power of decision making</td> <td>Lies with the top management.</td> <td>Multiple persons have the power of decision making.</td> </tr> <tr> <td>Implemented when</td> <td>Inadequate control over the organization</td> <td>Considerable control over the organization</td> </tr> <tr> <td>Best suited for</td> <td>Small sized organization</td> <td>Large sized organization</td> </tr> </tbody> </table>	BASIS FOR COMPARISON	CENTRALIZATION	DECENTRALIZATION	Meaning	The retention of powers and authority with respect to planning and decisions, with the top management, is known as Centralization.	The dissemination of authority, responsibility and accountability to the various management levels, is known as Decentralization.	Involves	Systematic and consistent reservation of authority.	Systematic dispersal of authority.	Communication Flow	Vertical	Open and Free	Decision Making	Slow	Comparatively faster	Advantage	Proper coordination and Leadership	Sharing of burden and responsibility	Power of decision making	Lies with the top management.	Multiple persons have the power of decision making.	Implemented when	Inadequate control over the organization	Considerable control over the organization	Best suited for	Small sized organization	Large sized organization	10	CO2	L2
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2	<p>What do you understand by the term Hygiene and motivation factors as per Hertzberg theory.</p> <p><b>Solution:</b></p> <p>In 1959, Frederick Herzberg, a behavioural scientist proposed a two-factor theory or the motivator-hygiene theory.</p> <p>According to Herzberg, there are some job factors that result in satisfaction while there are other job factors that prevent dissatisfaction. According to Herzberg,</p>	10	CO2	L2																											

	<p>the opposite of “Satisfaction” is “No satisfaction” and the opposite of “Dissatisfaction” is “No Dissatisfaction”.</p> <p>Herzberg classified these job factors into two categories.</p> <p><b>Hygiene factors-</b> Hygiene factors are those job factors which are essential for existence of motivation at workplace. These do not lead to positive satisfaction for long-term. But if these factors are absent / if these factors are non-existent at workplace, then they lead to dissatisfaction. In other words, hygiene factors are those factors which when adequate/reasonable in a job, pacify the employees and do not make them dissatisfied. These factors are extrinsic to work. Hygiene factors are also called as dissatisfiers or maintenance factors as they are required to avoid dissatisfaction. These factors describe the job environment/scenario. The hygiene factors symbolized the physiological needs which the individuals wanted and expected to be fulfilled. Hygiene factors include:</p> <ul style="list-style-type: none"> <li><input type="checkbox"/> Pay - The pay or salary structure should be appropriate and reasonable. It must be equal and competitive to those in the same industry in the same domain.</li> <li><input type="checkbox"/> Company Policies and administrative policies - The company policies should not be too rigid. They should be fair and clear. It should include flexible working hours, dress code, breaks, vacation, etc.</li> <li><input type="checkbox"/> Fringe benefits - The employees should be offered health care plans (medicclaim), benefits for the family members, employee help programmes, etc.</li> <li><input type="checkbox"/> Physical Working conditions - The working conditions should be safe, clean and hygienic. The work equipments should be updated and well-maintained.</li> <li><input type="checkbox"/> Status - The employees’ status within the organization should be familiar and retained.</li> <li><input type="checkbox"/> Interpersonal relations - The relationship of the employees with his peers, superiors and subordinates should be appropriate and acceptable. There should be no conflict or humiliation element present.</li> <li><input type="checkbox"/> Job Security - The organization must provide job security to the employees.</li> </ul> <p><b>b. Motivational factors-</b> According to Herzberg, the hygiene factors cannot be regarded as motivators. The motivational factors yield positive satisfaction. These factors are inherent to work. These factors motivate the employees for a superior performance. These factors are called satisfiers. These are factors involved in performing the job. Employees find these factors intrinsically rewarding. The motivators symbolized the psychological needs that were perceived as an additional benefit. Motivational factors include:</p> <ul style="list-style-type: none"> <li><input type="checkbox"/> Recognition - The employees should be praised and recognized for their accomplishments by the managers.</li> <li><input type="checkbox"/> Sense of achievement - The employees must have a sense of achievement. This depends on the job. There must be a fruit of some sort in the job.</li> <li><input type="checkbox"/> Growth and promotional opportunities - There must be growth and advancement opportunities in an organization to motivate the employees to perform well.</li> <li><input type="checkbox"/> Responsibility - The employees must hold themselves responsible for the work. The managers should give them ownership of the work. They should minimize control but retain accountability.</li> <li><input type="checkbox"/> Meaningfulness of the work - The work itself should be meaningful, interesting and challenging for the employee to perform and to get motivated.</li> </ul>			
3	<p>What is span of control and what factors affect it? Explain.</p> <p><b>Solution:</b> The span of control indicates the number of subordinates who can be successfully</p>	10	CO2	L2

directed by a supervisor. It is often referred to as span of management, span of supervision, span of authority. Span of management is important because of two reasons. First is span of management affects the efficient utilization of managers and the effective performance of the subordinates. If the span is too wide, managers are overburdened and subordinates receive little guidance. If the span of management is too narrow, the managers are under utilized and subordinates are over controlled. The second reason is there is relationship between span of management and organization structure. A narrow span results in tall organization with many levels of supervision between top management and lowest organizational levels which creates more communication and cost problems. On the other hand, a wide span for the same number of employees results in flat organization with fewer management levels between top and bottom. Suppose a sales manager has 12 salesmen reporting to him, his span of management is 12. If he feels that he is not able to work closely enough with each salesman and decides to reduce the span by adding three assistant managers – each to supervise four salesmen then his span of management is three as shown in figure. In doing so, he has added a level of management through which communication between him and salesmen must pass and he has added the cost of three additional managers.



4 Explain the different types of leadership styles.  
**Solution:**  
 Leadership styles are the patterns of behavior which a leader adopts in influencing the behavior of his subordinates. Styles are either based on either behavioural approach or situational approach  
 Based on behavioural approach

- Power generation
- Leadership as a continuum
- Employee-production orientation
- Likert’s management system
- Managerial grid
- Tri-dimensional grid

Based on situational approach

- Fiedler’s contingency model
- Hursey and Blanchard’s situational model
- Path-goal model

Leadership styles are also broadly classified based on three points of view:

10 CO2 L2

	<ul style="list-style-type: none"> <li>• Motivation,</li> <li>• Authority and</li> <li>• Supervision.</li> </ul> <p><b>Motivation</b></p> <ul style="list-style-type: none"> <li>• Positive <ul style="list-style-type: none"> <li>○ Encouraging the subordinates by rewarding them</li> </ul> </li> <li>• Negative <ul style="list-style-type: none"> <li>○ Giving punishment to subordinates</li> </ul> </li> <li>• Authority <ul style="list-style-type: none"> <li>○ 3 types namely Autocratic, Democratic and Free-rein.</li> </ul> </li> <li>• Supervision.</li> </ul>			
5	<p>List the characteristics of an entrepreneur and explain any one of them.</p> <p><b>Solution:</b></p> <p>The following are the characteristics of an entrepreneur</p> <ul style="list-style-type: none"> <li>• Creativity and Innovation</li> <li>• Leadership and team building</li> <li>• Opportunity seeking and initiative</li> <li>• Risk taking and decision making ability</li> <li>• Tolerance of ambiguity and uncertainty</li> <li>• Motivation to excel</li> <li>• Self efficiency and adaptability</li> <li>• Problem solving (Problem solvers)</li> </ul> <p>The model consists of six steps</p> <ul style="list-style-type: none"> <li>• <b>Problem solving (Problem solvers)</b></li> </ul> <p>The model consists of six steps a</p> <ol style="list-style-type: none"> <li>a) Define the problem</li> <li>b) Gather information</li> <li>c) Identify various solutions</li> <li>d) Evaluate alternatives and select the best option</li> <li>e) Take action</li> <li>f) Evaluate the action taken</li> </ol> <ul style="list-style-type: none"> <li>• <b>Internal locus of control</b></li> <li>• <b>Persistence, persuasion and networking</b></li> </ul>	10	CO3	L2
6	<p>Explain in detail the importance of entrepreneurship.</p> <p><b>Solution:</b></p> <p>Entrepreneur is one of the most important inputs in the economic development of a country or of regions within the country. Entrepreneurial competence makes all the difference in the rate of economic growth. In India, state and private entrepreneurship co-exist. The smallscale industrial sector and business are left completely to private entrepreneurs. It is, therefore, in this context that an increasingly important role has been assigned to the identification and promotion of entrepreneurs for this sector.</p> <p>The need for a broad-based entrepreneurial class in India arises from the need to speed up the process of activating the factors of production, leading to a higher rate of economic growth, dispersal of economic activities, development of backward and tribal areas, creation of employment opportunities, improvement in the standard of living of the weaker sections of the society and involvement of all sections of the society in the process of growth.</p>	10	CO3	L2

<p>Several factors go into the making of an entrepreneur. Individuals who initiate, establish, maintain and expand new enterprises constitute the entrepreneurial class. The socio-political and economic conditions, the availability of industrial technology and know-how, state of art and culture of business and trading, existence of markets for products and services and the incentives and facilities available for starting an industry or business, all have a bearing on the growth of entrepreneurship. A conducive environment is created through the policies and interest of the government in economic and industrial development.</p>			
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