

--	--	--	--	--	--	--	--	--	--

USN

CMR  
INSTITUTE OF  
TECHNOLOGY



Internal Assessment Test - I

Sub:	Technological Innovation & Management and Entrepreneurship				Code:	BEC501	
Date:	11/11/2024	Duration:	90 mins	Max Marks:	50	Sem:	5th
				Branch:	ECE		

Answer Any FIVE FULL Questions

	Marks	OBE	
		CO	RBT
1. Define management. Explain the functions of management.	[10]	CO1	L1,L2
2 What are the differences between management and administration? (a)	[05]	CO1	L2
2 "Management as a profession" – Elaborate on this statement. (b)	[05]	CO1	L3
3 Discuss various steps involved in planning. Discuss limitations of planning.	[10]	CO1	L1, L2
4 Explain Maslow's Need-Hierarchy theory of motivation.	[10]	CO1	L2
5 Discuss the Principles of Organising.	[10]	CO2	L2
6. Write a short note on Behavioural approach of leadership.	[10]	CO2	L2
7. Explain Departmentalisation based on functions with its advantages and disadvantages.	[10]	CO2	L2

1.

Definition of Management

"Art of getting things done through people"  
- Mary Parker Follett

" A process of consisting of planning, organising, actuating and controlling, performed to determine and accomplish the objectives by the use of people and resources."

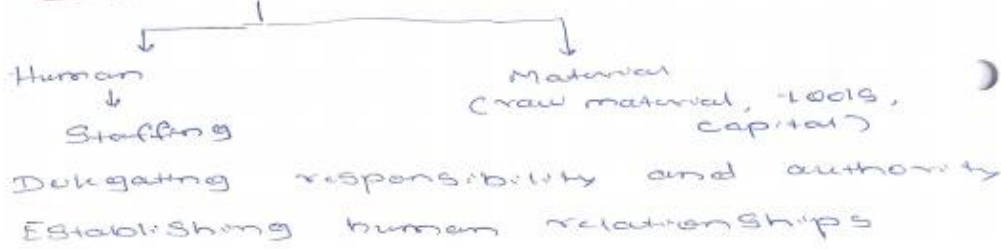
Management Functions

- Planning
- Organising
- Directing
- Controlling
- Innovating
- Representing

## Planning

- Thinking in advance what should be done.
- Looking ahead and preparing for the future.
- Process of stating objectives and charting out the methods of attaining those objectives.

## Organising



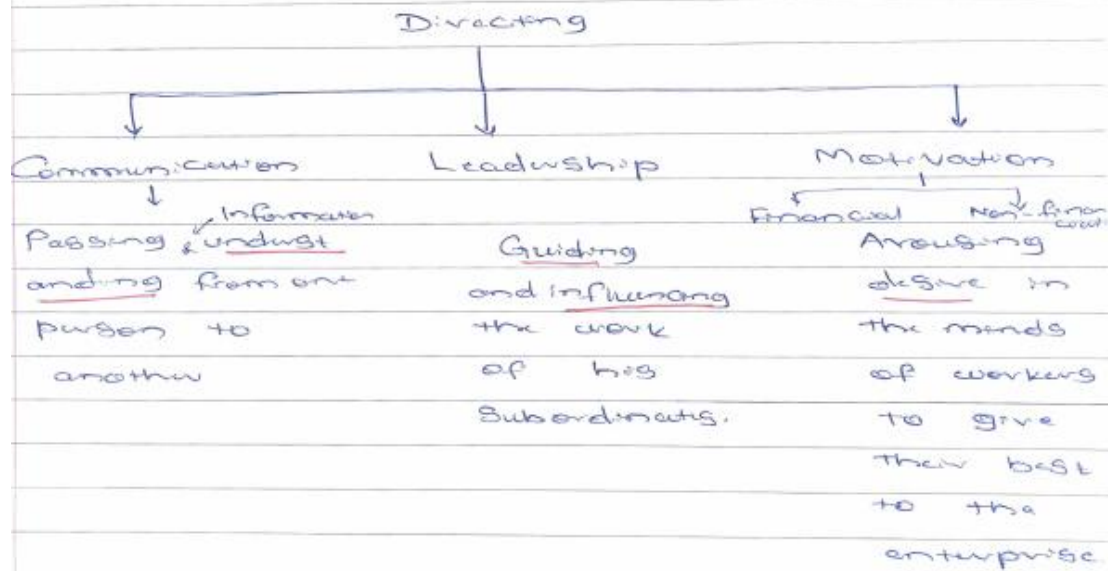
This organisation refers to "the structure which results from identifying and grouping work, defining and delegating responsibility and authority, and establishing relationships".

Staffing involves finding the right person for ~~the~~ job, each job.

Staffing involves selection and training of future managers and encouraging a highly disciplined approach to work among them, even if it requires taking punitive measures.

## Directing

Also called "leading", "directing", "actuating"  
In this, manager explains to his people what they have to do and helps them do it to the best of their ability.



## Controlling

Manager must ensure that performance occurs in conformity with the plans adopted, the instructions issued and the principles established.

Controlling involves three elements:

1. Establishing standards of performance
2. Measuring current performance and comparing it against the established standards
3. Taking action to correct any performance that does not meet those standards.

2a)

Management and Administration	
Administration	Management
- Involves <u>thinking</u>	- Involves <u>doing</u>
- Top level function	- Low level function
- Determines <u>plans</u> , policies and <u>objectives</u> of a business enterprise.	- Deals with the <u>execution</u> of and <u>direction</u> of policies and operations.
- Used in the governance of <u>non-business</u> institutions (govt, army, church)	- Used in the governance of <u>business</u> institutions
- Economic performance is not highest priority	- Economic performance is of highest priority

2b)

Management - A Profession ?
- Management is partly an art and partly a science. Is it a profession ?
- Management, <del>as</del> does not possess all the characteristics of a profession.
- Unlike medicine or law, management does not have any fixed norms of managerial behaviour.
- There is no <sup>uniform</sup> code of conduct or licensing of managers.
- We can conclude that, management cannot be called a profession.
- There are certain unmistakable trends toward the professionalisation of management.
- For example, it is becoming increasingly essential nowadays to acquire some professional knowledge or training.
- Management is now being taught as a subject.

3.

## Steps in Planning

1. Establishing verifiable goals or set of goals to be achieved
2. Establishing planning premises
  - Certain assumptions about the future on the basis of which the plan will be ultimately formulated.
  - These can be classified as under:
    - (a) Internal and external premises
    - (b) Tangible and intangible premises
    - (c) Controllable and non-controllable premises
3. Deciding the planning period
  - Lead time in development and commercialisation of a new product
  - Time required to recover capital investments or the pay-back period
  - Length of commitments already made
4. Finding alternative courses of action
5. Evaluating and selecting a course of action
6. Developing derivative plans
7. Establishing and deploying action plans
8. Measuring and controlling the progress



## Limitations of Planning

1. Planning is an expensive and time-consuming process.
2. Planning sometimes restricts the organisation to the most rational and risk-free opportunities.
3. The scope of planning is said to be limited in the case of organisations with rapidly changing situations.
4. Establishment of advance plans tends to make administration inflexible.
5. There is the difficulty of formulating accurate promises.
6. Planning may sometimes face people's resistance to it.

4.

### Maslow's Need - Hierarchy Theory

- All people have a variety of needs. At any given time, some of these needs are satisfied and others are unsatisfied.
- An unsatisfied need is the starting point in the motivation process.
- When a person has an unsatisfied need, he or she attempts to identify something that will satisfy the need. This is called goal.
- Once a goal has been identified, the person takes action to reach that goal and thereby satisfy the need.
- According to A.H. Maslow, needs are arranged in a hierarchy or a ladder of five successive categories.
- Physiological needs are at the lowest level, followed by security, social, esteem and self-fulfilment needs.
- According to Maslow, people attempt to satisfy their physical needs first.
- As long as these needs are unsatisfied, they dominate behaviour.

- As they become reasonably satisfied, however, they lose their motivational power & level of needs become dominant <sup>force</sup>. This process continues up the need hierarchy.
- As each level of needs becomes more satisfied, the next higher order level becomes dominant.

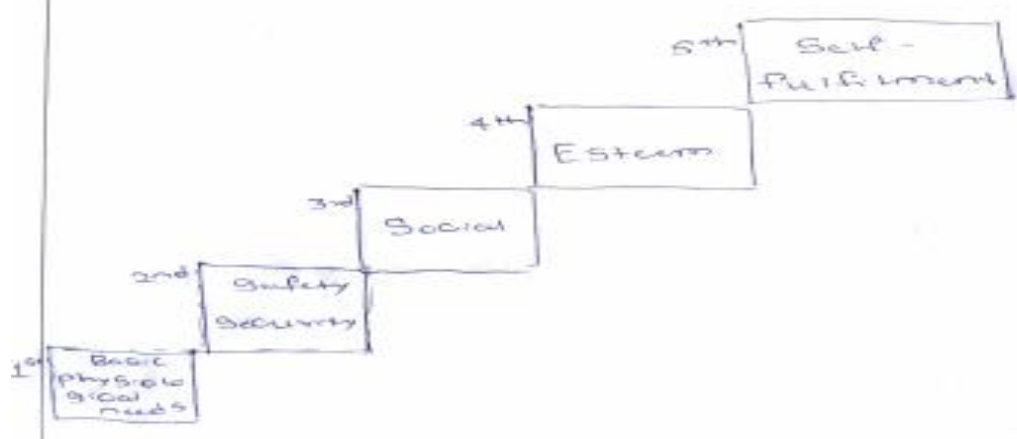


Fig Order of priority of human needs

5.

## Principles of Organising

Objectives

Specialisation

Span of control

Management by Exception principle

Scalar principle

Unity of command

Delegation

Responsibility

Authority

Efficiency

Simplicity

Flexibility

Balance

6.



## Behavioural Approach

The inability to find answer to their question “What determines leadership?” in the traits approach led researchers to look at the behaviours that specific leaders exhibited. They wondered if there was something unique in the way that effective leaders behave i.e., the way they deal with people—communicate, give direction, motivate, delegate, plan, conduct meetings, and so on. Prominent in the behavioural approach is the assumption that leaders are *not born but can be trained*.

Under behavioural approach researchers have studied leadership behaviour from three points of view: motivation, authority and supervision.

**Motivation** From the point of view of motivation leadership behaviour can be either *positive* or *negative*. In positive behaviour the leader’s emphasis is on rewards to motivate the subordinates. In negative behaviour the leader’s emphasis is on penalties and punishments. The leader tries to frighten the subordinates into higher productivity. The result is that subordinates’ enough time is lost in covering; i.e., protecting themselves against management. There is useless documentation, recording and filing of letters and papers because people fear that these may be needed by them any time in future for their defence.

**Authority** From the point of view of authority, leadership style can be autocratic, democratic or free-rein. A description of these styles is given below.

**Autocratic leadership** In this type of leadership, the leader alone determines policies and makes plans. He tells others what to do and how to do it. He demands strict obedience and relies on power. An autocratic leader may sometimes be paternalistic or benevolent also who uses rewards for obtaining obedience from his employees.

Both the forms of autocratic leadership (authoritarian and benevolent) are disliked by employees. In one form, the employee remains under constant fear. In other form he remains under constant gratitude. In both the forms, the leader is the key person. The whole operation of the organisation depends upon him. In his absence it may function inadequately or not at all.

**Democratic leadership** In this type of leadership (also known as participative or person-oriented leadership) the entire group is involved in and accepts responsibility for goal setting and achievement. Subordinates have considerable freedom of action. The leader shows greater concern for his people than for high production. A part of the leader’s task is to encourage and reinforce constructive inter-relationships among members and to reduce intra-group conflict and tensions. He serves more as a coordinator or agent for the group. Hence the group is not dependent upon him as an individual and can function effectively in his absence.

While a democratic leader is not the key figure like an authoritarian leader, he is still the boss and can not avoid the exercise of authority any more than he can avoid responsibility for what happens to his organisation.

**Free Rein** In this type of leadership, also called laissez faire leadership, the leader exercises absolutely no control. He only provides information, materials and facilities to his men to enable them to accomplish group objectives. This type can be a disaster if the leader does not know well the competence and integrity of his people and their ability to handle this kind of freedom.

Figure 17.1 shows the spectrum of a wide variety of leadership styles moving from a very authoritarian style at one end to a very democratic style at the other end, as suggested by Robert Tannenbaum and Warren H. Schmidt.<sup>9</sup> As the spectrum demonstrates, there are a number of alternative ways in which a leader can relate himself to the group. At the extreme left of the spectrum, the emphasis is on the leader—on what he is interested in, how he sees things, how he feels about them. As we move towards

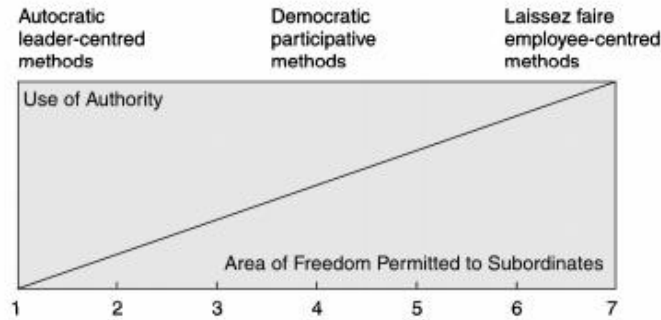


Fig. 17.1 Spectrum of leadership styles

the employee-centred end of the spectrum, however, the focus is increasingly on the subordinates—on what *they* are interested in, how they look at things, how they feel about them. The centre of the spectrum finds a more equitable balance between the authority exercised by the leader and the amount of participation the group can exercise.

**Supervision** From the point of view of supervision, leadership style can be either employee-oriented or production-oriented. An employee-oriented leader is one who cares more for the welfare of his subordinates than for production. Similarly, a production-oriented leader is one who cares more for production than for the welfare of his subordinates. Two important studies under this category are the Ohio State University study and Management Grid. These studies *measure leader behaviour* on two dimensions: employee orientation and production orientation. Unlike the authority-based model given by Tannenbaum, these two dimensions are not the opposite ends of a single continuum but the independent dimensions. This means that a manager can be simultaneously high on both the dimensions.

**Ohio State University Model** In Fig. 17.2 “*initiating structure*” refers to the leader’s behaviour in structuring the job of the follower and establishing well-defined patterns of organisation and communication. “*Consideration*” is the leader’s behaviour showing mutual trust, respect and friendship. These two types of leader behaviours are independent. Some leaders follow structure but provide little consideration; others are considerate, but provide little structure. Many leaders, however, do not fit into either of these two categories. They use a fairly even mix of structure and consideration. Still other leaders spend very little time using either structure or consideration behaviours. They are relatively

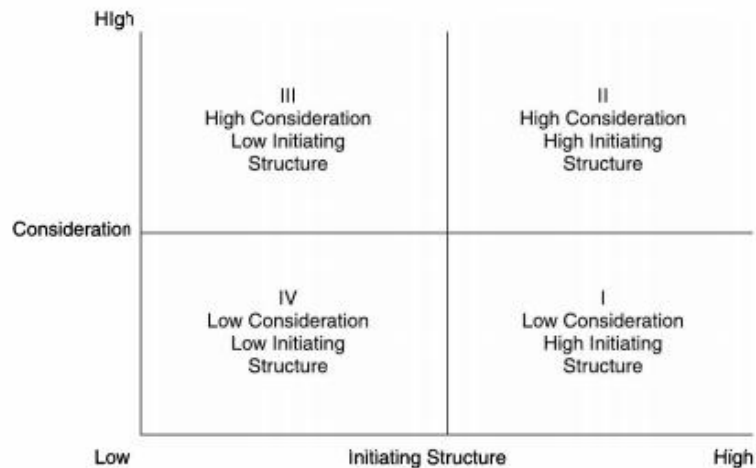


Fig. 17.2 The Ohio State model

uninvolved with their subordinates. Thus, it is possible to show four broad styles of leadership on the Ohio State model. The data above the behaviour of a leader are gathered by means of a questionnaire called Leader Behaviour Description Questionnaire (LBDQ) which is given in *Appendix 1*.

**Managerial Grid** Robert Blake and Jane Mouton (experimental psychologists at the University of Texas) use a chart called Managerial Grid<sup>2</sup> to describe five types of managerial styles. They make use of the terms "concern for production" and "concern for people". These two dimensions (concern for people and concern for production) are plotted on a 9-point scale on two separate axes as shown in Fig. 17.3. Concern for production is shown on the horizontal axis and concern for people is shown on the vertical axis. There are thus 81 combinations of concerns represented on the grid. But the authors' main emphasis is on the styles in the 4 corners and at the middle of the grid because these are the ones we see most often. These are as under:

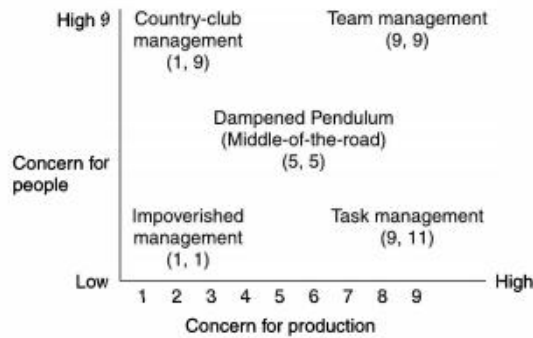


Fig. 17.3 Managerial Grid

7.

