

Management & Entrepreneurship

I Internals

Sub. Code: 15ESS1

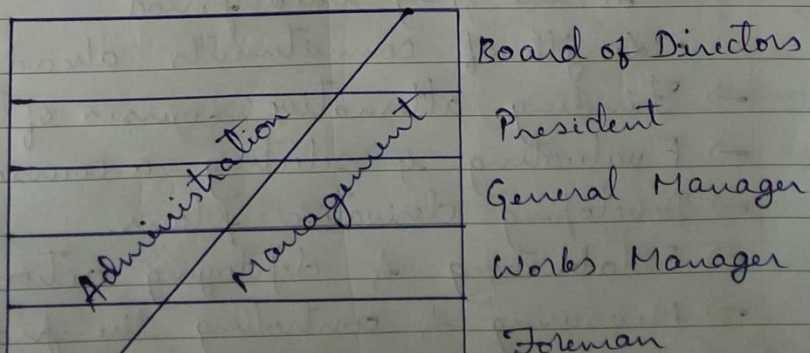
Scheme of Evaluation

1.(a) Explain the difference between Management & Administration. (5)

According to Sheldon, Sprigal & Milward, administration involves "thinking". It is a top level function which centres around the determination of plans, policies & objectives of a business enterprise.

On the other hand, management involves "doing". It is a lower level function which is concerned with the execution & direction of policies & operations.

No two separate sets of personnel are required, however, to discharge administrative & managerial functions. Each manager performs both activities & spends part of his time administering & part of his time managing. As shown in the fig. 1, below, at the top level more time is spent in administrative activity & as one moves down in the organisation, more time is spent in management activity.



According to few other writers, management is a comprehensive generic term which includes administration. Administration, according to E.F.L. Brech, is only a branch of management which encompasses two of its functions - planning & controlling. According to this view, the functions of management can be divided into two categories - administrative & operative management (upper level & lower level of management respectively).

According to Peter Drucker, the governance of non-business institutions is generally called administration while the governance of business enterprises is called management.

1. (B). List & explain the steps in planning. (5)
- Establishing verifiable goals or set of goals to be achieved
 - Establishing planning premises.
 - Internal & External premises
 - Tangible & Intangible premises
 - Controllable & Non-controllable premises.
 - Deciding the planning period.
 - Lead time in development & commercialization of a new product.
 - Time required to recover capital investments or the pay-back period.
 - Length of commitments already made.
 - Finding alternative courses of action.
 - Evaluating & selecting a course of action.
 - Developing derivative plans.
 - Establishing & deploying action plans.
 - Measuring & controlling the progress.

(Elaboration on any five of these points)

2(a) Briefly explain the principles of organizing. (6)

- Objectives
- Specialization
- Span of control
- Management by Exception Principle
- Scalar Principle
- Unity of Command
- Delegation
- Responsibility
- Authority
- Efficiency
- Simplicity
- Flexibility
- Balance
- Unity of Direction
- Personal Ability
- Acceptability

(Elaboration on any of the six points^{listed} above)

2(b) "Management as an art or a science", elaborate.

- A discipline is called scientific if its
- methods of inquiry are systematic & empirical,
 - information can be ordered & analysed &
 - results are cumulative & communicable.

In physics, it is possible for anyone to study in a laboratory, say for example, the effects of heat on the density of air by holding other factors constant for the duration of the experiment. But the same thing is not possible in management where we have to study man & a multiplicity of factors affecting him. We can know about tendencies & probabilities only thus management can be called as behavioral science.

Art is concerned with the understanding of how a particular work can be accomplished. Management in this sense is more an art. The manager has to constantly analyse the existing situation, determine the objectives, seek alternatives, implement, coordinate, control & evaluate information & make decisions.

Management involves both elements of science & art. While certain aspects of management make it a science, certain others which involve application of skill make it an art.

3. Summarize the various functions of management (10).

- > Planning
- > Organisation Organising
- > Directing
- > Controlling
- > Innovating
- > Representing

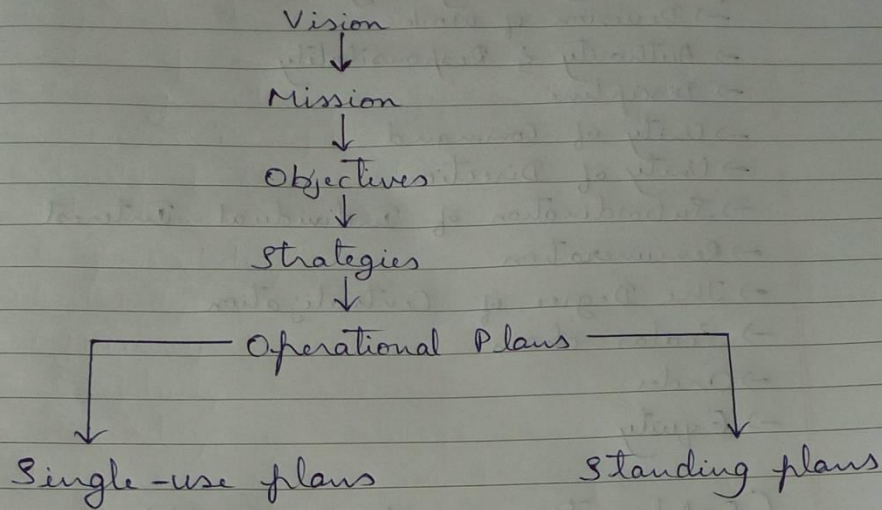
(Explanation on these points).

4. (a) Elaborate on the various steps involved in decision making. (8).

- > Recognising the problem.
- > Deciding priorities among problems
- > Diagnosing the problem.
- > Developing alternative solutions or course of action
- > Measuring & comparing the consequences of alternative solutions.
- > Converting the decision into effective action
- > Follow up.

(Explanation on these points)

4.(b) List the types of plans. (2)



7.(a) Briefly explain the steps in selection procedure. (8)

- Application Blank.
- Initial Interview of the candidate
- Employment Tests
 - Aptitude test
 - Interest test
 - Intelligence test
 - Job-specific test
 - Personality test
- checking References
- Physical/Medical examination.
- Final Interview.

(Elaboration on these steps)

7.(b) Define Span of Control.

It indicates the number of subordinates who report directly to a manager.

8. List & explain any 10 principles of management given by Henry Fayol. (10)

- Division of work
- Authority & Responsibility
- Discipline
- Unity of Command
- Unity of Direction
- Subordination of Individual Interest
- Remuneration
- The Degree of Centralization
- Scalar chain
- Order
- Equity

(Explanation on these points)