

TRIBHUVAN UNIVERSITY
FACULTY OF MANAGEMENT

Office of the Dean
2010

Full Marks: 60
Time: 3 hrs.

BBA/BIM/ First Semester/MGT 201: Principles of Management

Candidates are required to answer the questions in their own words as far as practicable

Group 'A'

Brief Answer Questions:

[10×1=10]

1. List out the hierarchy of management.
2. Write any three assumptions of theory X and theory Y.
3. List out any three characteristics of understanding individual behavior.
4. Write any two points of difference between a leader and a manager.
5. Write any three emerging organization structure.
6. Show graphically tall and flat organization structure.
7. Specify the different classification of groups.
8. Write two any points of difference between centralization and decentralization.
9. Provide any three points of difference between pre control and concurrent control.
10. Write full form of PERT, QC, and PDCA.

Group 'B'

Short Answer Questions:

[6×5=30]

11. Discuss the different roles of a manager. What skills are required to perform managerial roles effectively in the organization?
12. Discuss F.W. Taylor's contributions in the development of management thought. Also explain the criticisms against his thought.
13. What is decision making? What processes would you commonly follow for making organizational decision rational? Explain.
14. Briefly discuss multidivisional and functional structure. In which condition would you recommend multidivisional and functional structure? Give reasons to support your answer.
15. What is Total Quality Management ? Explain the emerging issues in quality management/
16. Define change management. Identify the barriers in change management and explain how such barriers in change management can be overcome.

Group 'C'

Comprehensive answer questions:

[4×5=20]

17. Read the following case carefully and answer the questions that follow:

Adroit International Company Limited located in Kathmandu, was founded in 1990 by M. Adhikari and H.Gurung. For most of the history, the company was a single office agency run by its founders. But over time, the company grew in size and sales revenue. Company revenue increased from Rs.10 million in 2004

to more than Rs.100 million in 2008, and rather than a single office, the company had six branches located in Kathmandu and Pokhara.

The firm grew for many reasons. An important reason was the founders' ability to do certain things very well. They knew how to select locations, time moves, and design offices. They recruited and hired people with above average ability and trained them to be effective salespersons. The rewards of growth were enjoyed by the Adroit family and employees of their firm. But with growth came problems.

The problems stemmed from the mismatch between the firm's organization structure, management practices, and the requirements of a large firm compared to a small one. In the early days, Adroit could handle its business matters in simple and informal ways. After all, it was a family corporation and family members ran it as a family, not as a business.

Some of the problems which surfaced with growth included the absence of clearly defined roles and areas of responsibility. People held certain jobs because of family relationships, rather than skills. Important decisions were made by relatively few people who often were not knowledgeable of all available information. The firm, moreover, had no strategic plan; it responded and reacted to opportunities rather than being proactive. In a sense, the firm's success had simply outgrown its organization. Changes were necessary.

Adroit consequently had to make many changes in its operations and organization structure. The overriding consideration of all the changes was to move Adroit away from an "entrepreneurial style" firm to a "professionally managed" one. Moreover, the change itself involved a process of preparation and implementation. Significant changes do not just come about; they must be planned and managed. But only the end results of the change are of interest here.

The organization structure which Adroit adopted relies upon geography as the basis for departmentation. There is a central office, and the branch offices report to that central office. Geographic departmentation encourages decentralization, one of the outcomes sought by Adroit's top management. Branch managers are responsible for the day to day activities of their branch offices. The central office maintains overall direction through planning and controlling process. For example, each branch office participates in the annual planning process during which objectives for each branch are developed. These objectives are the targets and the responsibility of branch managers.

Adroit's top management developed formal descriptions for all key positions. These descriptions defined the responsibilities of each job with special attention to avoiding overlap and duplication of effort. The company's experience during its entrepreneurial stage was that things often were not done because everyone assumed that someone else was doing them. In other instances, several people would assume responsibility for a task when it required the attention of only one person. Thus a key consideration in the new organization structure was to define explicitly and formally the work expected from each individual job.

Finally, the new structure provides for reporting channels from each branch associate to the chief executive officer. The chain of command is the channel for progress reports on planned objectives, financial and sales reports, and other informational needs. In comparison to the previous organization, the chain of command is much more explicit and formal. Individuals are encouraged to go through channels.

The entire change at Adroit was both extensive and time consuming. Nearly every aspect of the firm's operations was affected. All the changes will take two years or more to be fully implemented.

Questions:

- a. Identify the basic problems in this case?
- b. Why did organization plan to change in its structure?
- c. Draw a new organization chart after structure being implemented at Adroit.
- d. What are the roles of branch office and central office? Was new organizational structure able to manager branch officer? Discuss