

CBSE Test Paper - 04
Chapter - 2 Principles of Management

1. Basic aim of Functional Foremanship is _____ **(1)**
 - a. Not to provide free time to workers
 - b. Not to divide the work
 - c. To separate planning functions from execution functions
 - d. To separate Top level management from Chief Executive Officer
2. The main profession of Henry Fayol in the beginning was _____ **(1)**
 - a. He was mining engineer
 - b. He was managing director
 - c. He was a businessman
 - d. He was an Author
3. Henri Fayol was a: **(1)**
 - a. Social Scientist
 - b. Accountant
 - c. Mining Engineer
 - d. Production engineer
4. Lifetime of Henry Fayol is _____ **(1)**
 - a. 1841 to 1930
 - b. 1845 to 1930
 - c. 1845 to 1925
 - d. 1841 to 1925
5. State the role of 'inspector' in 'functional foremanship'. **(1)**
6. Mr. Bajaj, a manager, expects his subordinates to adapt to the new environment and working conditions without giving them time to settle down. Which principle of management is being overlooked? **(1)**
7. Define 'scientific management'. **(1)**
8. List any two principles of 'Scientific Management' formulated by Taylor for managing an organisation scientifically. **(1)**
9. Sanchit, after completing his entrepreneurship course from Sweden returned to India and started a coffee shop 'Aroma Coffee Can' in a famous mall in New Delhi. The

speciality of the coffee shop was the special aroma of coffee and a wide variety of flavours to choose from. Somehow, the business was neither profitable nor popular. Sanchit was keen to find out the reason. He appointed Sandhya, an MBA from a reputed college, as a Manager to find out the causes for the same.

Sandhya took feedback from the clients and found out that though they loved the special unique aroma of coffee but were not happy with the long waiting time being taken to process the order. She analysed and found out that there were many unnecessary obstructions in between which could be eliminated. She fixed a standard time for processing the order.

She also realised that there were some flavours whose demand was not enough. So, she also decided to stop the sale of such flavours. As a result within a short period Sandhya was able to attract the customers.

Identify and explain any two techniques of scientific management used by Sandhya to solve the problem. **(3)**

10. Explain how principles of management
 - i. help in optimum utilisation of resources and effective administration
 - ii. help the managers in meeting changing environmental requirements. **(3)**
11. Distinguish between the principles of 'unity of direction' and 'unity of command'. **(4)**
12. What do you mean by management principles? **(4)**
13. Explain the nature of management principles. **(5)**
14. Taylor's principles of scientific management and Fayol's principles of management are mutually complementary." Do you agree with this view? Give any four reasons in support of your answer. **(5)**
15. Explain the following techniques of scientific management:
 - i. Differential Piece Wage System
 - ii. Motion Study **(6)**

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Answer

1. c. To separate planning functions from execution functions

Explanation:

- **Taylor advocated separation of planning and execution functions in functional foremanship.**
- Under the factory manager there was a planning incharge and a production incharge.
- Those with technical mastery, intelligence and grit may be given planning work.
- Those with energy and good health may be assigned execution work.
- It leads to specialisation.

2. a. He was mining engineer

Explanation:

- **Henry Fayol was a mining engineer in the beginning.**
- Later on he started at the mining company 'Compagnie de commentary-Fourchambean-Decazeville, ultimately acting as its managing director

3. c. Mining Engineer

Explanation:

- Henry Fayol was a mining engineer.
- He graduated from the mining academy of St. Etienne in 1860 in mining engineering.
- The 19 year old engineer started the mining company 'Compagnie de commentary-Fourchambean Decazeville, ultimately acting as its managing director from 1888 to 1918.

4. d. 1841 to 1925

Explanation:

Henri Fayol (1841-1925) was a French management theorist whose theories concerning scientific organisation of labour were widely influential in the beginning of twentieth century.

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5. The inspector is basically responsible for maintenance of the the quality of work.
 6. Principle of "Stability of Tenure" is overlooked by Mr. Bajaj. An employee must be given time to adapt to the new environment and working conditions.
 7. In words of Dr. Frederick Winslow Taylor, scientific management means knowing exactly what you want men to do and seeing that they do in the best and the cheapest way. In simple words, scientific management implies the art of knowing exactly what is to be done and how it is to be done.
 8. Principles of Scientific Management
 - a. Science, not the rule of thumb.
 - b. Harmony, not discord.
 9. The two techniques of scientific management used by Sandhya to solve the problem are:
 - a. **Time study:** It seeks to determine the standard time taken to perform a well-defined job. The objective of time study is to determine the number of workers to be employed, frame suitable incentive schemes and determine labour costs. By using time measuring devices for each element of task the standard time is fixed for the whole of the task by taking several readings.
 - b. **Motion study:** Motion study refers to the study of movements of limbs of a worker while doing a particular task. It seek to divide all such movements into three categories namely;
 - i. Motions which are required
 - ii. Motions which are unnecessary
 - iii. Motions which are incidental.Thus, motion study helps to eliminate unnecessary movements of work and enables him to complete the given task efficiently.
 10.
 - i. Principles of management help in optimum utilization of resources by equipping managers to foresee the cause and effect relationship of their decisions and actions, as such the wastage associated with a trial and error approach can be overcome. Principles of management help in effective administration by limiting the boundaries of management discretion so that their decisions may be free from personal prejudice and bias. In other words, they make the decisions more of objective than subjective.
 - ii. Principles of management help the managers in meeting changing environment requirements because they can be modified according to the changes taking place in the environment, e.g. the principle of division of work has now been extended to

every business, Therefore, companies are focusing on their competency and outsourcing non-core business. The companies are realizing that it is useless to put the entire onus of a particular task on a specific employee rather every employee must be provided with distinct task and accountability.

11.

Unity of Command	Basis of Distinction	Unity of Direction
One subordinate should receive orders from and should be responsible to only one superior.	Meaning	Each group of activities having same objective must have one head and one plan.
It prevents dual subordination.	Aim	It prevents overlapping of activities.
It affects an individual employee.	Implications	It affects the entire organisation.

12. Principles are statements of fundamental truths about some phenomena and serve as a guide for thoughts and actions. They establish cause and effect relationship. Management Principles are the fundamental statements of truth that provide broad and general guidelines to the managers for decision making, taking actions and solving various problems systematically. These enable the managers to manage the enterprises in "3E way" viz 'economically', 'effectively' and 'efficiently'. These act as guide for managers and sharpen their skills and competence. They are not rules, but only a guide to action. These principles are helpful in predicting/estimating the results of a managerial action.

13. Nature of management principles can be described as follows:

- i. Universal Applicability: The principles of management are pervasive in nature. They can be applied in any type of organisation irrespective of the nature of the organisation.
- ii. General Guidelines: They are only guidelines for action and don't provide a direct or readymade solution for a managerial problem. They have to be modified as per the requirement of the situation.
- iii. Formed by practice and experimentation: The principles of management have been developed through experimentation as well as the experience and wisdom of

managers. This is the reason why they are more practical in nature.

- iv. Flexible: They are flexible i.e. they can be modified by the managers according to a given situation. It also exhibits the ability of the manager to adapt to a particular situation quickly.
 - v. Mainly behavioural: They are mainly behavioural in nature since they are devised to influence human behaviour.
 - vi. Cause and effect relationship: The principles of management establish a relationship between cause and effect. They guide us as to what would be the effect if a particular principle were to be applied in a given situation. The situation is the real cause of application of the principle.
 - vii. Contingent: The use of principles of management is contingent or dependent upon the prevailing conditions. Therefore , they are subjective in nature.
14. Yes, Taylor's principles of scientific management and Fayol's principles of management are mutually complementary because of the following reasons:

Basis	Taylor	Fayol
1. Personality	Taylor was a scientist by profession	Fayol was more of a practitioner who used his experience while developing the principles.
2. Perspective	Taylor's principles & techniques are based on the bottom upward approach i.e.from the lower level management to the top-level management.	Fayol's principles are based on top downward approach i.e. from the top-level management to the lower level management.
3. Scope and Applicability	Taylor's principles & techniques are relevant mainly with respect to production activities carried out by the lower level management	Fayol's principles have wider relevance in all functional areas whether it may be top, middle or low level management.
4. Focus	Taylor's' principles & techniques are focused on improving the workers' efficiency and production.	Fayol's principles are focused on improving the overall top and middle-level management efficiency.
	Taylor's techniques are more	Fayol's principles are more general

5. Modifications	specific in nature and can be applied without any modification but only in certain specific conditions.	in nature & can be applied in most of the organizations with some modifications depending upon the relevance.
6. Expression	Taylor expressed his thoughts and views under the theory of scientific management.	Fayol expressed his ideas as the general theory of management
7. Relevance	Taylor's principles & techniques focus mainly on improving the relationship between workers and the management.	Fayol's principles focus mainly on improving the general behaviour of the workers in an organisation

15. i. **Differential piece wage system:** Differential piece wage system is the strongest motivator for a worker to reach standard performance. It is a method of wage payment in which efficient and inefficient workers are paid at different rates. In this technique, incentive is directly linked with productivity. First of all a standard task is established with the help of time and motion study. Then two rates are fixed: higher piece rate for workers who produce equal to or more than the standard output and lower piece rate for workers who do not reach the standard. This system aims at rewarding efficient workers by giving them higher piece rate and penalizing slow workers by paying them lower piece rate. Financial incentives act as motivators and make employees to put extra efforts.
- ii. **Motion study:** Motion study refers to thorough analysis of various movements being done by a worker while he is doing a particular task. Every work involves various forms of human movements such as lifting, holding, turning, etc. Under motion study, each movement is minutely observed and analysed to find out productive, incidental and unproductive movements. It will help to eliminate unproductive or wasteful motions which results in chalking out best method of doing a particular job thereby saving time, increasing production and reducing worker's fatigue.