

MBA 01

M.B.A. DEGREE EXAMINATION, JUNE 2007.

First Semester

Common for HRM/Marketing/Finance/International
Business

Paper I — MANAGEMENT PROCESS AND
BEHAVIOUR

Time : Three hours

Maximum : 100 marks

SECTION A — (5 × 6 = 30 marks)

I. Answer any FIVE out of the following.

1. “Decision making is the Primary task of the Manager” Comment.
2. Discuss : Management By Objectives (MBO)
3. Define organization culture. How does a leader influence organization culture?
4. Discuss the role of electronic media in communication.
5. Define “leadership”. What are its ingredients?

6. What are some typical management practices in Japan and how do they compare to those in the US?
7. Evaluate the advantages and limitations of different approaches to on-the-job Training.
8. Discuss : Bench Marking with an example.

SECTION B — (5 × 10 = 50 marks)

II. Answer any FIVE out of the following:

9. Explain the major Social responsibilities of a Business towards different claimants.
10. Why does the planning process require a rational approach to goal achievement? explain.
11. What do you understand by objective? How important are they in managing an organization? Illustrate.
12. Explain the TOWS matrix. How is it useful in arriving at a strategy?
13. Define “Decentralization”. What are its benefits?
14. How can you avoid mistakes in organizing by planning?

Question:

- (a) What do you think about the incentive programme?
- (b) Do you think that the public should be polled on such a programme? Why or why not?
- (c) As a consultant, What would you recommend?

15. What are the advantages and the disadvantages of written and oral communication? Which do you prefer? under what circumstances?

16. Do you think the Managerial concepts and practices applied in the US can be transferred to England, France or West Germany?

SECTION C — (1 × 20 = 20 marks)

CASE STUDY-COMPULSORY

17. CASE : THE MUNICIPAL CORPORATION

The corporation proposed an incentive program for its higher-level managers which would be tried for 1 year. The Program, based on MBO concepts, was a response to criticism from citizens in the community. Here is a summery of the proposed program :

The objectives are to be set to represent higher-than normal performance can be Furthermore, the emphasis will be on verifiable objectives against which performance can be measured. One of the objectives, for example, will be to keep the average water bill increase at not more then 75 percent of the inflation rate. The participating managers will receive only half of the cost-of-living Increases granted to other employees. To be eligible for the other half, they will have to achieve some of the objectives. If, on the other hand, most of the

above-normal objectives are achieved, their pay increases will be above the inflation rate. No lump sum bonuses will be granted, but the performance of the managers will be reflected in their wages.

It was calculated that the program would result in savings of Rs. 15,000 to Rs. 25,000, for the district for the district if none of the objectives were met. On the other hand, if all the objectives were met, the cost to the company would be between Rs. 25,000 And Rs. 35,000 in salary increases. But the indirect savings were estimated at Rs.1 lakh or more. The incentive program was submitted to the public through a poll, with arguments presented for and against the plan.

The arguments for the Incentive program were as follows:

- * It would stop the rise in water rates.
- * Rewards would be based on performance.
- * Turnover of management personnel would be reduced.
- * The cost for outstanding performance would be low compared with the potential savings.

The arguments against the incentive program were as follows:

* The program would raise current objectives only to what would normally be expected of the managers.

* The company has one of the highest water costs in the state.

* If the general manager were to meet all the objectives, he would get paid more than a U.S. senator. If three other high-level managers were to achieve all their objectives, they would get paid more than the governor of the state.

* Since the budget is prepared by the same person who would be the beneficiary of the Incentives, there would be the temptation to "pad" the budget.

* The managers past performance was considered substandard. No bonus should be offered to managers for improving their substandard Performance and doing what they should have been doing into first place.

* The policy of the company states that it should supply adequate water at the lowest possible cost. If the managers are not capable of performing their job, they should seek employment everywhere.