

Indian Maritime University
(A Central University, Govt. of India)
MBA-International Transportation and Logistics Management/
Port and Shipping Management
PG21T2101/PG22T2101-(Semester I)
Principles and Practices of Management
May/June 2018 End Semester Examinations

Time: 3 Hours
Date: 04.06.2018

Max Marks:60
Pass Marks:30

SECTION A

12 X 1=12 Marks

Answer all the questions
All the questions carry equal marks

Choose The Right Answer

1. 'Time and motion study' is associated with
 - a. Modern management
 - b. Scientific management
 - c. Traditional management
 - d. Cultural management
2. A RULE refers to
 - a. A small impact plan
 - b. A specific regulation
 - c. A broad guideline to action
 - d. A short term program
3. Which of these are not true of MNCs?
 - a. Franchisee agreement
 - b. Subsidiary of a foreign corporate
 - c. An Indian company opening branch abroad
 - d. Expanding from North to South Indian market
4. A strategy refers to
 - a. A small impact plan
 - b. A specific rule
 - c. A broad guideline to action
 - d. A game plan for achieving a goal
5. According to Herzberg which is a hygiene factor
 - a. salary
 - b. advancement
 - c. recognition
 - d. achievement

6. Decision making includes
 - a. Evaluation of alternatives
 - b. Choosing the best alternative
 - c. Implementing the best alternative
 - d. All of the above
7. Span of Management means
 - a. space in office
 - b. supervisor's performance
 - c. number of subordinates at each level
 - d. educational level of employee
8. ----- and control are parallel functions
 - a. Organising
 - b. Coordination
 - c. Planning
 - d. Review
9. High rate of ----- increases costs and leads to less experienced hands
 - a. strikes
 - b. labour turnover
 - c. training
 - d. absenteeism
10. ----- is regarded as father of "Human relations"
 - a. Robert Owen
 - b. Henry Fayol
 - c. Elton Mayo
 - d. William Gilbreth
11. M in m-commerce stands for
 - a. management
 - b. mobile
 - c. money
 - d. material
12. A 'Balanced Score Card' is used to
 - a. help in Budgeting
 - b. for the purpose of Management audit
 - c. measure and provide feedback to organizations
 - d. to balance the work of different departments

SECTION B**5 X 4 = 20 Marks**

Answer any 5 out of 7 questions
Each answer should not exceed 200 words

13. What do you understand by scientific management
14. Describe the necessary skills required by Managers in today's business
15. Write a note on cultural diversity present in MNCs.
16. Describe the steps involved in strategic planning
17. What are the advantages of Performance Appraisal?
18. What is the significance of 'Managing change'
19. How important do you think is the process of controlling?

SECTION C**4 X 7 = 28 Marks**

Question No. 20 is compulsory
Answer any 3 out of 5 remaining questions
Each answer should not exceed 500 Words

20. Read the following case study and answer the questions at the end of the case.

Succession planning in Tata Sons- A CASE STUDY

Back in 2002, when Ratan Tata was set to retire at 65, the Tata Sons board re-designated him as non-executive chairman so that he could continue for another five years. In 2005, the board increased the retirement age of non-executive directors to 75, ensuring that Tata would be in office till 2012. And finally, when he packed his bags at Bombay House and handed over the baton to Cyrus Mistry, it was only to return four years later in 2016.

It's been done before

But the Tata Group is not the only one opting for the comeback of a

R Suresh, Managing Director, RGF Executive Search, says it is all about business and people. "Mistry was good in work and business, but not taking people along. He belonged to a different industry and a different generation. The group had stalwarts and you cannot instruct them. You have to show restraint."

It is in such a scenario that succession planning gains utmost importance. In the West, a succession plan is an important deliverable for a leader, Suresh points out. But in India, most companies don't have a formal process to ensure a smooth transition.

Case Questions. (Write your analysis in not more than 500 words)

- What is the need for succession planning?
- What do you think is the outcome of poor succession planning in a corporate like Tata sons?

21. Describe with examples Fayol's' principles of Management

22. Can Delegation of Authority take place without Responsibility?
Deliberate.

23. Bring out the meaning of (i) cognitive dissonance (ii) BCG matrix

24. How does line and staff conflict, and how do you resolving it.

25. How is the function of Co-ordination important and explain how you will ensure it.

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renowned leader. Back in 1997, Apple brought back founder Steve Jobs when the company was in trouble. He masterminded a corporate turnaround and remained Apple's CEO until his death in 2011. Howard Shultz, who left Starbucks in 1986 to start his own chain of espresso bars, was back not once but twice – in 1987, and then again in 2008. He continues to be the chief executive even now.

And closer home, Narayana Murthy was back at Infosys when things were not rosy with the IT bellwether.

"In most cases, promoters or senior leaders of a company either build a business from scratch or have worked in the organisation for a very long time. They have a full understanding of every nut and bolt of the business and it is the easiest solution to look at them when there is a need to steer the organisation in a new direction," says Tatwamasi Dixit, a consultant and coach specialising in family businesses. Technically, the Tata Group has transitioned from a family-run to a professionally-run business, but Tata Trust still holds 66 per cent of Tata Sons, the holding company.

After a rigorous search for a successor, the role had gone to another family member (Mistry is the brother-in-law of Ratan Tata's half-brother Noel Tata) in 2012. "The succession process did not move away from family hands. In a large family business corporation, when you do a transition from predecessor to successor, there has to be a cohabitating period of at least three to four years, which was missing in this case," Dixit adds.

Slow and steady

Mistry had joined the Tata Board in 2006. He was not hands on with most group businesses as being the group chairman is a different ballgame altogether from being a board member. In contrast, Ratan Tata joined the group in 1962 and became its chairman only about three decades later, in 1991. By then, he knew the group inside out.

"In such a large corporation, you cannot transition in one year. Mistry would have required four to five years of joint hand-holding. There is clearly a lack of alignment between the group and the way he led the business," says Dixit.