



No. of Pages - 08

No. of Questions - 07

**SCHOOL OF ACCOUNTING AND BUSINESS**  
**BSc. (APPLIED ACCOUNTING) GENERAL/SPECIAL DEGREE**  
**PROGRAMME**

**YEAR I SEMESTER II (Group B)**  
**END SEMESTER EXAMINATION – OCTOBER 2014**

**MGT 10225 Principles of Management**

Date : 01<sup>st</sup> November 2014  
Time : 9.00 a.m. – 11.30 a.m.  
Duration : two and Half (2 ½ hours)

**Instructions to Candidates:**

- Write the Index Number in the space provided at the top right hand corner of this sheet. Do not write your name anywhere in this answer script.
- This paper consists of three parts. (Part I, II, III)
- Part I – Answer **All 10** questions.  
Part II – Answer **two** questions out of three.  
Part III – Answer **two** question out of three.
- The total marks for the paper is 100.
- The marks for each question are shown in brackets.
- Answers should be written neatly and legibly.

## PART I

Answer ALL questions

### Question No. 01

Choose the appropriate answer and tick the relevant cage in the given box under each question.

1. According to Maslow, a person who is looking for affection, belongingness, acceptance, and friendship is at which need level?

- a) Physiological
- b) Safety
- c) Social
- d) Esteem
- e) Self-actualization

a)	b)	c)	d)	e)
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(02 marks)

2. Which of the following refers to the flow of information among persons at different levels, who have no direct reporting relationships?

- a) Horizontal communication
- b) Diagonal communication
- c) Upward communication
- d) Downward communication
- e) Forward communication

a)	b)	c)	d)	e)
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(02 marks)

3. Robert Owen was one of the prominent contributors to pre-classical management thought. Which of the following did Robert Owen advocate/propose?

- a) Division of labor
- b) Legislative reforms to improve working conditions of labor
- c) Profit-sharing plan
- d) Study of management
- e) Emphasis on the importance of business skills for running a business

a)	b)	c)	d)	e)
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(02 marks)

4. In an organization, a superior has the right to get tasks accomplished by his subordinates, but the responsibility remains with the superior. This principle which intends to eliminate the practice of “passing the buck”, is known as:

- a) Authority on par with responsibility
- b) Hierarchy of authority
- c) Unity of direction
- d) Downward delegation of authority
- e) Unity of command

a)	b)	c)	d)	e)
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(02 marks)

5. The Managerial Grid, propounded by Blake and Mouton, is based on a manager's concern for people and concern for production. The most effective management style as characterized by the Managerial Grid is:
- a) High concern for people and low concern for production
  - b) High concern for people and high concern for production
  - c) Low concern for people and high concern for production
  - d) Low concern for people and low concern for production
  - e) Moderate concern for people and moderate concern for production

a)	b)	c)	d)	e)
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(02 marks)

6. Management by Objectives (MBO) is a management process that is popular in many organizations. It is the joint setting of goals and objectives by superiors and subordinates. Which of the following statement appropriately discusses true nature of the MBO.
- a) In MBO, there are multiple objectives covering a range of organizational activities
  - b) In traditional objective setting, the objectives, once formulated, provide direction for management decisions
  - c) In traditional objective setting, the objectives, once established, form the criteria against which actual accomplishments can be measured
  - d) In MBO, organization members may actually pursue objectives other than the formal organizational objectives
  - e) Traditional objective setting is 'top down' only, while MBO is both a 'top down' and 'bottom up' process.

a)	b)	c)	d)	e)
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(02 marks)

7. Despite the many advantages of planning, there may be some obstacles and limitations in this process, since nothing is perfect on this earth, as a general rule of law. Which of the following would **not** be considered a potential advantage of planning?
- a) It helps managers to be future oriented
  - b) It enhances decision coordination
  - c) It increases the amount of time available for other managerial functions
  - d) It emphasizes organizational objectives
  - e) It helps in offsetting uncertainty and risk

a)	b)	c)	d)	e)
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(02 marks)

8. Managers at all three levels of management require different kinds of skills to perform the functions associated with their jobs. A major difference in skill requirements between middle level and top-level managers is that;
- a) Top managers must generally be more skilled than middle managers in every respect
  - b) Top managers require better interpersonal skills but less conceptual skills than middle managers
  - c) Top managers generally require better technical and interpersonal skills than middle managers
  - d) Top managers generally require higher level conceptual skills but less technical skills than middle managers
  - e) Middle managers require better technical and conceptual skills than top managers.

a)	b)	c)	d)	e)
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(02 marks)

9. Forces/traits within the manager that determine effective leadership behavior include his/her:

- I. Values.
- II. Confidence in subordinates.
- III. Hunger for power.
- IV. Aggressiveness.

Which combination given below is appropriate to justify this statement.

- a) Both (I) and (II),
- b) Both (I) and (IV),
- c) Both (III) and (IV),
- d) (I), (II) and (IV),
- e) All (I), (II), (III) and (IV).

a)	b)	c)	d)	e)
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(02 marks)

10. Which of the following are the characteristics of the planning process usually adopted in Japanese Management style?

- I. Long-term orientation.
- II. Individual decision-making.
- III. Decisions flowing from bottom to top and back.
- IV. Slow decision-making.

- a) Both (I) and (II),
- b) Both (I) and (III),
- c) Both (II) and IV),
- d) (I), (III) and (IV),
- e) (II), (III) and (IV).

a)	b)	c)	d)	e)
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(02 marks)

**(Total 20 Marks)**

## **PART II**

Answer only two (02) questions out of three.

### **Question No. 02**

One of the approaches to management theory found under the Classical heading is bureaucracy.

- a) Identify the main features of bureaucracy  
(03 marks)
  - b) Briefly explain the main features of bureaucracy you mentioned in (a) above  
(04 marks)
  - c) Evaluate these main features of bureaucracy  
(06 marks)
  - d) Discuss why public sector organizations might need to follow Bureaucratic principles.  
(07 marks)
- (Total 20 Marks)**

### **Question No. 03**

- a) Briefly explain what is “effectiveness” in management  
(02 marks)
  - b) Discuss what measures you would use – both qualitative and quantitative – to assess the effectiveness of a manager. Give reasons for your choice of measures and illustrate with examples.  
(04 marks)
  - c) Discuss why decision making is central to the role of the manager. Illustrate your answer by referring to at least two different types of Managers.  
(06 marks)
  - d) Discuss how a manager’s job might change as s/he moves up the career ladder. How might the changing demands present problems for the manager?  
(08 marks)
- (Total 20 Marks)**

**Question No. 04**

- a) Planning and controlling are the two facets of the same coin. Identify the sequential steps to be followed by a manager in:

I. Planning

(02 marks)

II. Controlling

(02 marks)

- b) Briefly explain the steps you mentioned under I and II above in your answer

(04 marks x 2= Total 08 marks)

- c) The planning and controlling functions do have a big role to play in the other 02 managerial functions (Organizing and Directing) as well, in the Management process. Support this argument.

(08 marks)

**(Total 20 Marks)**



### **PART III**

Answer only two (02) questions out of three

#### **Question No. 05**

Compare and contrast the major characteristics of long range planning and strategic planning

**(Total 20 Marks)**

#### **Question No. 06**

“Business of Business is to maximize profits” Comment.

**(Total 20 Marks)**

#### **Question No. 07**

It is often said that there is hardly any difference between a leader and a manager. Do you agree?  
Justify your answer.

**(Total 20 Marks)**