

00539

**MASTER OF BUSINESS ADMINISTRATION  
(NETWORK INFRASTRUCTURE  
MANAGEMENT)  
(MBANIM)**

**Term-End Examination  
December, 2010**

**MCR-001 : PRINCIPLES OF MANAGEMENT**

*Time : 3 hours*

*Maximum Marks : 100*

*Note : Attempt any five questions. All questions carry equal marks.*

1. "I expect every manager in my department to act completely rational in every decision he makes", declared Ishwar Dayal, Director Marketing in Overseas Plastics Ltd. "Everyone of us, irrespective of his position in the organisation has to be a professional rationalist and I expect him not only to know what he is doing and why he is doing it, but also to be right in his decision. I know that someone has said that a good manager needs to be right only in more than half of his decisions. But that is not good for me. However, one may be excused for an occasional mistake especially on matters beyond one's control but no one can be pardoned for acting irrationally".  
"I endorse your views, sir", said Indu Ahluwalia, his advertising manager, "and I always try to be rational and logical in my decisions but would you mind helping me to be sure of this by explaining what rational decisions are" ?

Carefully examine the above case and answer the following questions :

- (a) Explain, how Mr. Ishwar Dayal might describe what is involved in making rational decisions ? 10
- (b) If Ms. Indu Ahluwalia then declares that there is no way she can be completely rational, what would you suggest as a reply ? 10
2. Management is regarded as an art by someone, science by others and in exact science by many more. "The truth seems to be somewhere in between." In the light of this statement, explain the nature of management. 20
3. (a) How would you evaluate the strength and weaknesses of the firm. What factors are critical for success or failure ? 10
- (b) Explain the principles of effective co-ordination. 10
4. Why do you think the organisations have increased the use of groups and teams to make decisions during the past twenty years ? When would you recommend using groups or teams to make decisions ? 20

5. Who is a leader ? Describe various stages of leadership comparing the merits and demerits of each style. 20
6. "The appropriate organisational mix of centralisation and decentralisation is affected by the situational variables." Discuss. 20
7. What is performance budgeting ? What is zero base budgeting ? What is the difference between the two ? 20
8. Write short notes on the following : 5x4=20
- (a) PERT
  - (b) Determinant of organisation structure.
  - (c) Management by objective.
  - (d) Essentials of effective team.
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