



**KA-2580**

**Second Year B. Com. (Honours) (Sem. III) Examination**  
**September / October – 2012**  
**Principles Of Business Management**

Time : Hours]

[Total Marks : 70

**Instructions :**

(1)

नीचे दृशावेव निशानीवाणी विगतो उत्तरवडी पर अवश्य लपवी. Fillup strictly the details of signs on your answer book.	Seat No. :
Name of the Examination :	<input type="text"/>
<input type="text" value="S. Y. B. COM. (HONOURS) (SEM. III)"/>	<input type="text"/>
Name of the Subject :	<input type="text"/>
<input type="text" value="PRINCIPLES OF BUSINESS MANAGEMENT"/>	<input type="text"/>
Subject Code No. : <input type="text" value="2"/> <input type="text" value="5"/> <input type="text" value="8"/> <input type="text" value="0"/>	<input type="text"/>
Section No. (1, 2,...): <input type="text" value="Nil"/>	<input type="text"/>
	Student's Signature

- (2) All questions are compulsory.  
(3) Figures to the right indicate full marks.

- 1 Answer in brief : 12  
(i) What is Bureaucracy ?  
(ii) State the advantages of forecasting.  
(iii) What is a mission ?  
(iv) Explain the concept of MBO.  
(v) What does chair of command refer to ?  
(vi) Define strategy.
- 2 Assess the contribution of Henri Fayol to Management thought. 12
- 3 (a) Define planning. What is the necessity of planning in modern, complex organization ? 7  
(b) Explain the universality principle of management. 5
- 4 "Decentralization is not necessarily good, nor centralization is necessarily bad". Discuss. 12

5 Write a detailed note on Hawthorne experiments and Human Relations. 12

6 Shiv Shankar has been employed with Premier Data System for five years and during that time he has progressed to his current position of senior programme analyst. He is generally happy with the company and he thoroughly enjoys the creative demands of his job.

One Saturday afternoon during a snooker game with his co-worker Ram Swarup, Shiv Shanker discovered that his department had hired a recently qualified university graduate as a programme analyst. Shiv Shankar although a good-natured fellow, got upset when he learned that the newly appointed employee's starting salary was only Rs. 500 a month lower than his own. He was bewildered and felt that he was being treated unfairly.

The following Monday morning Shiv Shankar met the Personnel Manager and asked him what he heard was true. The personnel manager apologetically admitted that it was true and attempted to explain the company's situation thus: 'Shiv Shankar, the market for programme analyst is very demanding and in order to attract right candidates, we have to offer a higher salary. We desperately needed another analyst and this was the only way we could meet our requirement.'

Shiv Shankar asked the personnel manager whether his salary would be adjusted accordingly to which he replied "Your salary will be revalued periodically at the time of performance appraisal. You are doing a good job but I am not sure about the recommendation from your boss to this effect."

Shiv Shankar left the office disappointed wondering about his future with this company.

- (i) Do you feel the explanation of personnel manager was satisfactory ? Discuss.
- (ii) What is likely to be the impact of this incident on Shiv Shankar's motivation to work ?
- (iii) What action do you think the company should have taken with regard to Shiv Shankar ? Explain.