

**PANDIAN SARASWATHI YADAV ENGINEERING COLLEGE, Sivagangai  
DEPARTMENT OF ELECTRONICS & COMMUNICATION ENG.**

**MG 6851 Principle of Management**

**Branch: ECE**

**Semester: VI**

**Part A: Question & Answers**

**UNIT I INTRODUCTION TO MANAGEMENT AND ORGANIZATIONS**

**1. What is Management?**

Management is the process of giving direction and controlling the various activities of the people to achieve the objectives of an organization.

**2. Define: Management**

**(A.U-May'05)**

According to Knootz and Weihrich "Management is the process of designing and maintaining of an environment in which individuals working together in groups efficiently accomplish selected aims".

**3. Write some characteristics of Management.**

- 1) Management is a continuous process.
- 2) Managers use the resources of the organization both physical as well as human to achieve the goals.
- 3) Management aims at achieving the organization goals by ensuring effective use of resources

**4. What are the roles of management in organization?**

- 1) Management helps in determination of the objectives of an organization.
- 2) Economic and social development takes place through management.

**5. Write any two points in favor of management as a science.**

- 1) Management principles should be verifiable.
- 2) Reliable basis for predicting future.

**6. Write any two points in favor of management as an art.**

- 1) Management is creative.
- 2) Management includes the use of practical knowledge and personal skill.

**7. Who is father of scientific management?**

**[A.U- May'10]**

Frederick Winslow Taylor.

**8. What is Time study?**

The movement which takes minimum time is the best one.

**9. What is motion study?**

Taylor suggested that eliminating wasteful movements and performing only necessary movements.  
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**10. Write Faye's fourteen principles of management.**

1. Division of work, 2. Authority and Responsibility, 3. Discipline  
4. Unity of command 5. Unity of direction 6. Individual interest to general interest 7. Remuneration 8. Centralization 9. Scalar chain 10. Order 11. Equity 12. Stability tenure of personnel 13. Initiative 14. Esprit de Corps.

**11. What is authority?**

It is the power given to a person to get work from his subordinates.

**12. What is responsibility?**

It is the amount of work expected of from a man by his superior.

**13. Comment: Management is both – A science and an art.**

Management is a science because it contains general principles. It is also an art because it requires certain personal skills to achieve desired results.

**14. What is centralization?**

The organization is centralized when the power is concentrated with one person.

**15. What is decentralization?**

If the power is fully distributed to the subordinates of the organization.

**16. What is scalar chain?**

The instructions and orders should be sent from the top management to the lower management.

**17. What is Esprit-de-corps?**

This means union is strength. In organization employees should be harmony and unity.

**18. What are management levels?**

- (1) Top level management
- (2) Middle level management
- (3) Lower level management.

**19. Write some important functions of top level management.**

- (1) To formulate goals and policies of the company
- (2) to formulate budgets,
- (3) To appoint top executives.

**20. Write any two functions of middle level management.**

- (1) To train, motivate and develop supervisory level.
- (2) monitor and control the operations performance.

**21. What are the essential skills needs for the managers?**

- (1) Technical Skill
- (2) Human Skill
- (3) Conceptual Skill.

**22. Write the functions of management. [AU. Nov/Dec.2011, May/June 2011, Nov/Dec 2011]**

- (1) Planning
- (2) Organizing
- (3) Staffing
- (4) Coordinating
- (5) Controlling.

**23. What is sole trading?**

Business unit which is owned and controlled by a single individual is known as a sole trading.

**24. Define sole trade.**

The sole proprietorship is that form of business organization which is owned and controlled by a single individual.

**25. Write any merits of sole trades.**

1. Liberal legal formalities to start the business 2. It is easy to formation.

**26. Write ant two demerits of sole trading?**

1) Limited resources 2) Short life.

**27. What is partnership?**

A partnership is an association of two or more persons to carry on business and to share its profit and losses.

**28. Write any two merits of partnership?**

1. Larger financial resources, 2. Promptness of decision-making.

**29. Write any two demerits of partnership?**

1. Lack of public faith, 2. Limitation in transfer in share.

**30. What is joint Stock Company?**

Joint Stock Company is association of many persons who contribute money worth to common stock and employing in source trade and also share the profit and losses.

**31. What is private limited company?**

A private limited company is a company which has a minimum paid up capital to be prescribed.

**32. Write any two privileges a private ltd company.**

1. A private company can work with just directors. 2) It is not issuing prospective for collating its share capital.

**33. What is a co-operative society?**

It is a voluntary association of persons for mutual benefit and it aims is accomplished through self heap and collective effort.

**34. Write any two merits of co-operative societies.**

1. It is easy to formation 2. low operator cost.

**35. Write any two demerits of co-operative societies.**

1. Lack of motivation, 2. No credit facilities.

**38. What is a social responsibility?(AU-2004)**

Society is the parts of the management to interact actions wither to protect social interest a society.

**39. Distinguish between management and administration.**

Management is the function of executing the polices within the limits set up by the administration. it has the function of planning , organizing, directing and controlling. Administration is determinative and management is executive.

Administration is the overall determination of policies and major objectives. It aims for framing major policies, formulation of general procedure, listing out of the board programme and approval of major projects etc.

## UNIT II PLANNING

### 40. Define planning.

[ AU-Apr'04] [AU Apr 11]

Planning is the process of selecting the objectives and determining the course of action required to achieve these objectives.

### 41.State the important observations suggested about planning.

Planning is outlining a future course of action in order to achieve on objective.

Planning is looking ahead.

Planning is getting ready to do something tomorrow.

Plan is a trap laid down to capture the future.

### 42.What are the objectives of planning?

[AU-Dec'05]

a.Planning is a primary function of an organization.

b.It helps in achieving objectives.

c.It is done to cope with uncertainty and change.

d.It helps in facilitating control.

e.It helps in coordination.

f.Planning increases organizational effectiveness.

g.Planning guides in decision making.

### 43.List out the features of planning.

i)planning – a primary function

ii)planning – a dynamic process

iii)planning – based on objectives and policies

iv)planning – a selective process

v)pervasiveness of planning

vi)planning – an intellectual process

vii)planning is directed towards efficiently

viii)Planning is based on facts.

### 44.What are the different types of planning? Or classify various plans.

AU-Apr'04

Plans

Standing  
plans

Single use  
Plans

Mission or Programmes purpose  
Objectives Budgets  
Strategies Schedules  
Policies Methods  
Procedures Projects  
Rules

**45. Define “Mission”.**

Mission may be defined as “ a statement which defines the role that an organization plays in the society”.

**46. State the important question to answer by a good mission.**

1. What is our business? 2) What should it be?

**47. Define “objectives”.**

The terms “objectives or “goals” are often used interchangeably. Objectives are the end results towards which the activities of firm are aimed or directed.

**48. What are the factors to be considered while formulating strategies?**

- i. Mission and objectives of an organization.
- ii. Values, aspirations and prejudices of top level management.
- iii. Opportunities and threats of the external environment.
- iv. Strength and weakness of the firm in various aspects such as funds, organization structure, human talent, technology etc.

**49. Mention the required reasons for the need of policies.**

- To ensure a uniform pattern of actions.
- To simplify and speed up the process of decision making.
- To secure coordination of efforts.
- To improve the performance of subordinates.

**50. State any four advantages of procedures in planning.**

- It avoids confusion and duplication by providing clear guidelines to action.
- It helps to improve performance by providing best and simplest way of performing a job.
- It brings uniformity in operations.
- It leads to simplification and elimination of unnecessary movements.
- It facilitates coordination between different work units.

**51. Classify budgets.**

1. variable budgets or Flexible budget:
  - These budgets vary according to the organization output.
2. Programme budgets
  - In this budget, the agency identifies goals, develops detailed programmes to meet the goals, and estimates the cost of each programme.
3. Zero-base budget
  - It is combination of programme and variable budget.

**52. Give the flow diagram of planning steps.**

Identification of opportunities  
Developing planning premises  
Evaluation of alternatives  
Selecting an alternative  
Formulating derivative plans  
Establishing sequence of activities

**53. What are the advantages of planning?**

- i. It helps in achieving objectives
- ii. Better utilisation of resources

- iii.Economy in operation
- iv.It reduces uncertainty and risk
- v.It improves competitive strength
- vi.Effective control
- vii.Coordination
- viii.It encourages motivation

**54.State any four limitations of planning.**

1. Lack of accurate information, 2. Time and cost, 3. Inflexibility, 4. Delay during emergency period.

**55.What are the advantages of objectives?**

- 1.Unified planning
- 2.Defining an organization
- 3.Direction
- 4.Individual motivation
- 5.Basis for decentralization
- 6.Basis for control
- 7.Co-ordination

**56.List down the guidelines for objectives setting.**

- i.Objective should cover the main features of the job.
- ii.Objectives must be clearly specified in writing.
- iii.The list of objectives should not be too long. Wherever it is possible, combine some objectives to make the list reasonable.
- iv.Objectives must set by considering the various factors affecting their achievement.
- v.Objectives should be verifiable.
- vi.Objectives should clearly indicate the organizational mission.
- vii.Objectives should be challenging and reasonable.
- viii.Objectives should yield specific results when achieved.
- ix.Objectives should be coordinated with these of other managers and organizational units.
- x.Objectives should provide timely feedback so that the necessary corrective action can be taken.
- xi.Short-term objectives should be consistent with long-term objectives.
- xii.Objectives should start with the word 'to' and be followed by an action.
- xiii.Objectives should be periodically reviewed.
- xiv.Objectives should clearly indicate the resources and authority required for achieving it.
- xv.All the assumptions underlying the objectives are clearly identified.

**57.What are the demands that should be met by the selective objectives?**

- i)Objectives should be consistent with the values of the management in the organization.
- ii)Objectives should pin-point the organizational strengths and weakness.
- iii)Objectives must satisfy the external environmental forces.

**58.Tabulate the steps to be kept in mind while writing objectives.**

**CHECK THESE STEPS HAVE BEEN UNDERTAKEN**

**IMPLICATION IF NOT DONE**

Are the objectives linked to the Business / Development plan?

Will not assist in achieving overall goals.

Have the objectives been mutually agreed after consultation?	Employee needs to take ownership of objectives
Is the wording clear and concise?	Easier to understand & measure
Are the SMART objectives?	Ensures the objectives can be used constructively.
The objective should clearly identify the measurable factors such as cost, time, and volume	Will be able to identify progress and whether they have been achieved.
Are they prioritized?	Ensures that time is spent on the most crucial areas first.
Are the objectives being used?	Otherwise it may demotivate employee
Are the monitored regularly?	To provide feedback on progress
Were any changes agreed?	Employee to take ownership of objectives.

## **59. What is MBO? [Nov/Dec 2011]**

MBO is a process whereby the superior and the subordinate managers of an enterprise jointly identify its common goals, define each individual's major areas of responsibility in terms of results expected of him, and use these measures as guides for operating the unit and the contribution of each of its members is assessed.

### **60. Mention any four features of MBO.**

- MBO focuses attention on what must be accomplished and not how to accomplish the objective. It is a goal oriented rather than work-oriented approach.
- It is an attempt made by the management to integrate the goals of an organization and individuals. It will lead to effective management.
- MBO tries to combine the long range goals of organization with short range of organization.
- MBO involves participation of subordinate managers in the goal setting process.
- A high degree of motivation and satisfaction is available to employees through MBO.

### **61. What are the steps involved in MBO process?**

- Setting preliminary objectives
- Fixing key result areas
- Setting subordinate's objective
- Recycling objectives
- Matching resources with objectives
- Periodic performance reviews
- appraisal

### **62. What are the benefits of MBO?**

- Improvement of managing

- Clarification of organization
- Personnel satisfaction
- Team work
- Development of effective control
- Fast decision making

**63.Note down the weakness of MBO.**

- o Failure to teach the philosophy of MBO.
- o Failure to give guidelines to goals setters
- o Difficulty of setting goals
- o Emphasis on short-term goals
- o Danger of inflexibility
- o Time consuming
- o Increased paper work

## **UNIT III ORGANISING**

**64. Define Organizing.**

[AU-MAY'10]

Organizing is the process of identifying and grouping of activities required to attain the objectives, delegating authority, creating the responsibility and establishing relationships for the people to work effectively.

**65. What do you understand by effective organizing?**

[AU-Nov'05] [AU Apr011]

Effective organizing focuses on finding mistakes in present organizing and avoiding such mistakes by proper planning. Effective organizing avoids organizational inflexibility and makes the staff work effectively by avoiding conflicts by clarification.

**66.State the advantages of organization.**

- 1.It facilitates administration
- 2.It increases the efficiency of management
- 3.It facilitates growth and diversification
- 4.It ensures optimum use of man and material resources

**67.Mention the various principles involved in organization.**

- 1.Principle of unity of objective
- 2.Principle of division of work or specialization
- 3.Principle of efficiency
- 4.Principle of span of control

**68.Note down the important characteristics of formal organization.**

- It is flexible and properly planned
- It is based on principle of division of labour and efficiency in operations
- It concentrated more on the performance of jobs and not on the individuals performing the jobs.
- Organization charts are usually drawn.

**69.How informal organization characteristics differ from formal organization?**

- It arises without any external cause i.e. Voluntarily. It is a natural outcome at the work place.
- It is created on the basis of some similarity among the members. The bases of similarity may be age, sex, place of birth, caste, religion, liking/disliking etc.



- Informal organization has no place in the organization chart.
- It is one of the parts of total organization.

### **70. Distinguish between formal and informal organization.**

[AU-Apr'04, May'10]

Sl.	Point of view	Formal organization	Informal organization
1	Origin	It is created deliberately and consciously by the frames of the organization	It is created spontaneously and naturally.
2	Purpose	It is created for achieving legitimate objectives of the organization	It is created by the members of the organization for social and psychological satisfaction.
3	Nature	Planned and official	Unplanned and unofficial
4	Size	It may quite large	It may be small in size

### **71. Enumerate the advantages of functional organization grouping.**

[AU-Apr'05]

1. Since a foreman is responsible for one function, he can perform his duties in a better manner.
2. This organization structure makes use of specialists to give expert advice to workers.
3. It relieves line executives of routine, specialized decisions which are sometime bore some.
4. Expert guideline reduces the number of accidents and wastages materials, man and machine hours.
5. It relieves pressure of need to search a large number of all-round executives.

### **72. What is span of control?**

[AU-Apr'04]

Span of control means the number of people managed effectively by a single superior in an organization.

The term "Span of control" is also known as "Span of management", "Span of authority" and "Span of responsibility". But span of management is a better term because control and supervision are elements of management.

### **73. What are the types of departmentation?**

1. Departmentation by numbers
2. Departmentation by time.
3. Departmentation by Enterprise function
4. Departmentation by Territory or Geography
5. Departmentation by Customers
6. Departmentation by equipment or process
7. Departmentation by product or service.

**74. Compare line and staff authority.**

Line authority

Staff authority

- |                                                                       |                                                            |
|-----------------------------------------------------------------------|------------------------------------------------------------|
| 1 It has right to decide or command                                   | It has right to provide advice, assistance and information |
| 2 It contributes directly to attainment of organizational objectives. | It assists line in effective attainment of objectives.     |
| 3 It creates superior-subordinate relations.                          | Extension of line and supports line.                       |
| 4 It flows from top to downward. i.e. superior to subordinate.        | It flows in any direction depending upon the situation.    |

**75. What are the advantages of decentralization?****[AU-Apr'04]**

- o It reduces burden of the management so that it can focus more
- o Attention on strategic management
- o It encourages decision making and assumption of authority and responsibility.
- o It facilitates growth and diversification in the organization.
- o It enables the department staff members to complete work early.

**76. What are the sources of recruitment?**

Internal sources: 1. promotion, 2. present casual employees, 3. retired employees.

External sources: 1. public employment exchange, 2. data banks, 3. casual applicants.

**77. Write the differences between recruitment and selection.**

SL. Recruitment

Selection

- |                                                                                                                           |                                                   |
|---------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------|
| 1 It is one step process.                                                                                                 | It involves several steps.                        |
| 2 It is only finding, developing the sources of employees attraction hemsuitable to the job out of the to apply for jobs. | It is due process of finding out the recruitment. |
| 3 It is initial step of the organization                                                                                  | It is final step of the organization.             |

**78. What is Halo effect?**

It is the tendency of the rater to depend excessively on the rating of one. Trait or behavioral consideration in rating all other traits or behavioural considerations.

**79. What is management by objectives?****[AU. Nov/Dec. 2011]**

MBO is a process where by the superior and subordinate managers of an organization jointly identify its common goals.

**80. What are the main objectives of HRA?**

- a) Determination of asset control i.e. whether human assets are to develop, allocate, evaluate or reward.

b)To assist in the development of effective management.

### **81. What is T-Group training?**

In this method a small group meets in an unstructured problem. Under this training the different groups of trainees are allowed to mix up each other and communicate with each other freely to try to solve the problems.

### **82. What is organizational change?**

The term change refers to an alteration in a system whether physical, biological or social. Thus organizational change is the alteration of work environment in organization.

### **83. Define: Organizational conflict.**

According to steps “conflict is a process in which an effort is purposefully made by one person or unit to block another that results in frustrating the attainment of others goals of the furthering of his or her interests.

### **84. What is O.D.?**

Organization development is a systematic and continuous process of learning and growth. O.D. is an educational strategy which focuses on the whole culture of the organization in order to bring about planned change.

### **85.What is the purpose of HRM?**

[AU-Dec’05]

1.Recruitment, 2. Selection, 3. Training, 4. Appraisal process.

### **86.Why is informal organization needed?**

- 1.Informal organization gives satisfaction to the workers and maintains the stability of the work.
- 2.It is a useful channel of communication.
- 3.The informal organization also fills up the gaps among the abilities of the managers.

## **UNIT IV DIRECTING**

### **87.What is meant by the term directing?**

Directing may be defined as the process of instructing, guiding and inspiring human factors in the organization to achieve organization objectives. It is not only issuing orders and instruction by a superior to his subordinates but also including the process of guiding and inspiring them to work effectively.

### **88.Define creativity.**

Creativity is defined as the ability to produce new and useful ideas through the combination of known principles and components in novel and non obvious ways. Creativity exists throughout the population, largely independent of age, sex, and education.

### 89. What does SCAMPER stand for?

- S- substitute -components, materials, people
- C- combine-mix, combine with other assemblies or services, integrate
- A- adapt – alter, change function, use part of another element
- M – modify – increase or reduce in scale, change shape, modify attributes (e.g. color)
- P- put to another use
- E – eliminate – remove elements, simplify, reduce to core functionality
- R – reverse – turn inside out or upside down, also use of reversal.

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### 90. Define: Innovation.

[AU-MAY'10]

Innovation means the use of creative ideas.

### 91. Define “multiplicity of roles”.

Individuals are not only the productive factor in management's plans. They are members of social system of many organizations.

### 92. What is meant by Brain Storming?

[AU-Nov'04]

Brainstorming is an excellent way of developing many creative solutions to a problem. It works by focusing on a problem, and then coming up with very many radical solutions to it. The essence of brainstorming is a creative conference, ideally of 8 to 12 people meeting for less than an hour to develop a long list of 50 or more ideas. Suggestions are listed without criticism on a blackboard or newsprint as they are offered; one visible idea leads to others. At the end of this session, participants are asked how the ideas could be combined or improved.

### 93. Compare theory X and theory Y.

Sl. Theory X

Theory Y

- |   |                                                                   |                                                     |
|---|-------------------------------------------------------------------|-----------------------------------------------------|
| 1 | The average human dislikes work                                   | Work is as natural as play or rest.                 |
| 2 | People are unambitious and prefer to be directed by other.        | Ambitious and capable of directing their own.       |
| 3 | They avoid responsibility.                                        | They accept responsibility under proper conditions. |
| 4 | External control, threatening and close supervision are required. | Self directed and self are controlled.              |

**94. Define motivation.****[AU-Nov'05]**

According to Koontz and O'Donnell, "Motivation is a general term applying to the entire class of drives, desires, needs withes and similar forces that induce an individual or a group of people to work".

Scott defines, "Motivation means a process of stimulating people in action to accomplish desired goals".

**95. Distinguish between motivation and satisfaction. [AU-Apr'05]**

Motivation:

Management is the art of getting workdone by the subordinates in order to attain common goals of the organization. Getting workdone is a difficult task.

Satisfaction:

After attaining the goals, everyone involved in the same gets happiness or internal feelings.

So, motivation is before attaining the specific task but satisfaction means, the happiness comes after attaining the goals.

**96. List out the basic needs in a hierarchy.**

1. Physiological needs, 2. Safety needs, 3.Social needs, 4.Esteem needs, 5. Self-actualization needs

**97.What is job enrichment?**

Job enrichment is therefore based on the assumptions that in order to motivate personnel, the job itself must provide opportunities for achievement, recognition, responsibility, advancement and growth.

**98. Define leadership.**

Leadership is the process of influencing the behaviour of others towards the accomplishment of goals in a given situation.

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**99. Mention the importance of leadership.**

1. motivating employees, 2. leader develops team work, 3. better utilization of manpower, 4. creating confidence of followers, 5. directing group activities, 6. building morale, 7. maintaining discipline.

**100. List of few leadership traits.****[AU-Nov'04]**

1. the Michigan studies, 2. The Ohio state university studies, 3. the managerial grid.

**101.What are the four basic ingredients of leadership skill?[AU-Apr'05] OR Mention any two leadership qualities. [AU-Nov'05]**

i)Physical qualities: Sound health, vitality, appearance, physical and nervous energy, forcefulness, physique, enthusiasm.

ii)Intellectual qualities: High intelligence, sound judgment ability to teach, scientific approach, decisiveness, self understanding.

iii)Morale qualities: Integrity, moral courage, fair play, will power, sense of purpose, objectivity.

iv)Social qualities: Ability to inspire, tact, percussiveness, self-confidence, empathy, initiative, knowledge of human nature human relations attitude.

**102.Name the various types of communication.**

**[AU-Apr'04]**

1. Downward communications, 2. upward communication, 3. horizontal or lateral communication.

**103. Differentiate single and multiple channel networks.**

Sl. No. Single channel communication Multiple channel communication

1 The communication is allowed on only one path called as line authority. The communication is allowed in more than one path.

It is simply referred as through proper channel.

2 Communication flow is slow Communication flow is faster,

3 Easy to maintain orderly in nature. Potential problems may occur.

4 Miscommunication reduced. Miscommunication is increased.

**104.List out the various effective media in communication.**

**[AU, Apr11]**

1.A large bank supplies hardware and software to its customers.

2.several banks now make bank-by – phone services available even to individuals.

3.E-mail service making easy delivery of documents.

**105.Distinguish between a leader and manager.**

Leadership is generally defined as influence, the art of process of influencing people so that they will willingly towards the achievement of group goals.

Management is the process of giving direction and controlling the various activities of the people to achieve the objectives of an organization.

**106. Define the term “Grape Vine”.**

The information actually transmitted through the informal channels may be inaccurate, distorted, a half- truth, a rumor, a gossip, a private interpretation and sometimes truth. It is called as grapevine.

## UNIT V CONTROLLING

### 107. Define control.

[AU-MAY'10]

According to Knontz “Controlling to the measurement and correction of performance in order to make sure that enterprise objectives and the plans devised to attain them are accomplished”.

### 108. What are the characteristics of control?

1. control process is universal
2. control is a continuous process.
3. control is action based.
4. control is forward looking.

### 109. What are the types of control?

1. feedback control, 2. concurrent control, 3. feed forward control.

### 110. What is feed forward control?

It is preventive in nature. This control involves evaluation of inputs and taking corrective action before a particular operation is completed.

### 111. List on the differences between Feedback control and feed forward technique.

Sl.	Feed back	Feed forward
No.		
1	It measure only output of the process.	It measures input of the process.
2	It is submissive approach.	It is aggressive approach.
3	Less benefit.	More benefit.

### 112. What are the requirements for effective control?

1. The control should be economical, 2. It must be simple, 3. It should be flexible, 4. It should be clear objectives.

### 113. Write some advantages of management by exception.

- a) This is used to identifies important problems.
- b) It reduces unnecessary burden of the top management.
- c) It provides better utilization of managerial talent and knowledge.

### 114. What are traditional techniques of control?

1. Personal observation, 2. Break-Even analysis, 3. Statistical reports, 4. Budgetary control.

### 115. What are modern techniques of control?

1. management audit, 2. return on Investment, 3. PERT and CPM, 4. MIS.

### **116. Define: Budget**

According to J.Fred Meston “A budget is the expression of a firm’s plan in financial form for a period of time in to the future”.

### **117.What are the limitations of Budgeting? [AU-Dec,04]**

1.Inaccuracy, 2. Expenditure, 3. Distortion of goals.

### **118.What are the classifications of Budget?[AU Apr11]**

1. Functional classification, 2. Time classification, 3. Activity level.

### **119.What are the factors will be consider for the production budget ?**

1.Production stability, 2. Plant capacity, 3. Time, 4. Sales requirements.

### **120.Write some significances of ZBB.**

d)ZBB is also an educational process that can promote the development of the management of the management team.

e)Managers tend to evaluate in their operations, efficiency and cost effectiveness not only during the budget cycle but the throughout the operating year.

### **121.What is Internal Audit?**

Internal audit is done by an internal auditors who is an employee of the organization. He examines the objectives, policies, plans, procedures and performance of the management.

### **122. What are the differences between PERT and CPM?**

Sl. No.	CPM	PERT
1	It is activity oriented	PERT is event oriented
2	CPM is planning device	PERT is control device
3	It estimates only one time	It estimates three times
4	It is a deterministic model	It is probabilistic model

### **123.Define: MIS**

“A system of obtaining abstracting, storing and analyzing data to productions information for use in planning, controlling and decision making by managers at the time they can most effectively use it”.

f)To find out new opportunities.

g)To provide sales forecasting.

h)To allocate resources.

i)To provide effective managerial activities.

### **124. Define: Productivity.**

[AU-Dec’05, Nov/Dec 2011]



Productivity is a measure of how much input is required to produce a given output i.e. the ratio (output/input) is called productivity.

**125. What are the factors affecting productivity?**

1. Technology, 2. Human resources, 3. Government policy, 4. Machinery and equipment, 5. Skill of the worker.

**126. Define: OR [AU-Dec'05]**

Operation research is systematic analysis of a problem through scientific methods, carried out by appropriate specialists, working together as a team, finding an optimum and the most appropriate solution to meet the given objective under a given set of constraints.

**127. What are the applications of OR?**

1. national planning and budgeting, 2. defence service operations, 3. R & D engineering, 4. agriculture and irrigation, 5. business management and competition, 6. education and training.

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**128. Define: Linear programming.**

Linear programming is a versatile mathematical technique in operation research and a plan of action solve a given problem involving linearly related variables in order to achieve the laid down objective in the form of minimizing or maximizing the objective function under given set of constraints

**129. What is Economic order**

quantity?

Formula,  $EOQ = \frac{2DS}{C}$

D - demand per year      S- Ordering cost,      C- Annual carrying cost of one unit.

**130. What is JIT? [AU-May'05]**

Just in time inventory system. In this method the suppliers delivers the materials to the production spot just in time to be assembled. This method reduces cost of inventory.

**131. What is value engineering? [AU-Dec'04]**

It is a special type of cost reduction and product improved technique.