

**EASTERN UNIVERSITY, SRI LANKA**

**Faculty of Commerce and Management**

**First Year /First Semester Examination in Bachelor of Business Administration  
and Bachelor of Commerce 2017/18 (July 2019)**

**Repeat**

**MGT 1024 Principles of Management**

Answer all five (5) questions

Time: 03 hours

(5 questions should be answered in the question paper)

No. of Pages: 5

Q1) Read the case and answer the questions given below

**Bangalore Alloy Steel**

Like most steel companies, Bangalore Alloy Steel suffered difficult times in the decade of 2000. In a companywide attitude survey, in 2005, it was found that, a number of frustrated middle managers felt that the company's unattractive pay structure caused low employee morale. The Chief Executive Officer of the company, Dinesh was not impressed by the survey report and didn't care for the opinion of middle managers. As a result, the executives were disillusioned. Dinesh had been a financial specialist, and the board of directors assigned him the top job because though this financial experience could improve the financial situation of the company. At first, the move seemed a good one, Dinesh used his financial know-how to arrange creative financing for the company's debt, but that did not solve other serious problems. Dinesh was a numbers man with few people skills and he proved to be a poor planner. He tried to diversify and re-organize the structure which was not comfortable with face to face communications and he issued periodic memos exhorting employees to increase productivity. All employees, including both blue-collar and white collar employees blamed Dinesh for the heavy losses of the company. Top management kept middle management at a distance and became isolated and ineffective.

**Questions:**

- a. Which of the management functions does Dinesh perform well?
- b. Which of the management functions does he perform unsatisfactorily?
- c. What do you think should be the role of middle management in this situation?
- d. What do you think Dinesh should have done?

**Q2)**

- a. What do you understand by the term "**Level of Management**"? Briefly describe the different levels of management?
- b. Who are **constituents** of an organizational **internal environment** and what are their importance?
- c. What are the **benefits and limitations** of '**Work Specialization**'?
- d. What do you mean by "Centralization and Decentralization"?

**Q3)**

- a. What do you mean by **managerial role**? Describe the different roles that exist in an organization?
- b. Define "**leadership**" and list out the theories that fall into Leadership?
- c. Explain the **process of Communication** and specify the hindrances that affect the communication process?

a. Describe the needs in **Maslow's Hierarchy of Needs** and explain the rationale behind this hierarchy?

(06 Marks)

b. What are the **stages** you can identify in **controlling process** and state the types of control applied in the organization?

(06 Marks)

c. Explain Decision Making and Steps involved in Decision Making?

(06 Marks)

**(Total 18 Marks)**