



DEPARTMENT OF
INDUSTRIAL ENGINEERING & MANAGEMENT

Date : 06.11.2025	CIE - I	Max. Marks : 10 + 50
Semester : V	UG	Duration : 30 + 90 Min
Course Title: Principles of Management and Economics		Course Code : HS251TA

Note:

1. Answer all the Questions.

SL No	Questions	M	BT	CO
Part – A				
1	Why do managers need to be both efficient and effective?	2	L1	01
2	Mention three important skills required to be an effective manager.	2	L2	02
3	Differentiate between Unity of command and Unity of direction.	2	L2	01
4	Why should managers have a basic knowledge of economics?	2	L2	04
5	What does the circular flow of income illustrate in an economy?	2	L1	04
Part – B				
1	A manufacturing firm is facing issues with productivity and frequent machine breakdowns. The management decides to reorganize shop-floor activities and assign specific tasks to workers based on time and motion studies. Incentives are planned for those who achieve higher productivity. Analyse the above case using Frederick Taylor's Scientific Management principles. Which principles are being applied, and how could they help improve efficiency?	10	L2	01
2	A growing IT company notices that despite excellent pay, employees show low morale and poor teamwork. The management brings in a consultant who focuses on employee well-being, informal group interactions, and feedback sessions. Evaluate the management's approach using Elton Mayo's Human Relations Theory. What lessons can be learned from the Hawthorne Experiments in this context?	10	L3	02
3	A CEO represents the organization at a global conference, negotiates mergers, sets strategic goals, and ensures communication across all divisions. Explain how this situation reflects Mintzberg's 10 managerial roles, grouped into their respective categories.	10	L3	01
4	A leading automobile manufacturer notices that the demand for its vehicles has declined due to an increase in petrol prices and the entry of a new competitor offering electric vehicles at lower prices. Meanwhile, the government is implementing policies to stabilize inflation and boost employment. Using the principles of microeconomics and macroeconomics, analyse how both these levels of economic study help in understanding and addressing this situation.	10	L2	04
5	Explain the two-sector circular flow model with the help of an example. How does it demonstrate the interdependence between households and firms in an economy?	10	L2	04