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RV COLLEGE OF ENGINEERING®

Autonomous Institution affiliated to VTU

V Semester B. E. Examinations

DEPARTMENT OF INDUSTRIAL ENGINEERING AND MANAGEMENT
Principles of Management and Economics

Time: 03 Hours

Maximum Marks: 100

Instructions to candidates:

1. Answer all questions from Part A. Part A questions should be answered in first three pages of the answer book only.
2. Answer FIVE full questions from Part B. In Part B question number 2 is compulsory. Answer any one full question from 3&4 , 5&6, 7&8 and 9&10.

PART-A			
Q1	1.1	The power to hold workers accountable for their actions and to make decisions about the use of organizational resources is known as ____	(01)
	1.2	_____ was one of the first to recognize that organizations could be viewed from the perspective of individual and group behavior.	(01)
	1.3	Management Science came into existence in a _____ context	(01)
	1.4	In the behavioral management approach what is the primary focus of the manager is _____	(01)
	1.5	In a mechanistic organization, communication is mostly _____.	(01)
	1.6	_____ Structures include cross-hierarchical and cross-functional teams and a flat structure	(01)
	1.7	Grouping activities on the basis of customer flow _____ departmentalization	(01)
	1.8	Procter & Gamble has separate departments for Tide, Pampers, Charmin, and Pringles. This is an example of departmentalization by _____	(01)
	1.9	In Maslow's hierarchy of needs, _____ is the highest level of need?	(01)
	1.10	The offering of employee health insurance addresses which of Maslow's needs?	(01)
	1.11	Individuals become leaders based on their _____.	(01)
	1.12	The ability to influence people through granting or withholding benefits that are of interest to them is called _____	(01)
	1.13	Mr. X is the only person in the company with expertise in the E-Commerce field. This source of power is called _____	(01)
	1.14	The demand for a good increases when the price of a substitute _____ and also increases when the price of a complement _____.	(01)
	1.15	The price elasticity of demand is 5.0 if a 10 percent increase in the price results in a _____ decrease in the quantity demanded.	(01)
	1.16	Adam Smith called price mechanism as _____	(01)
	1.17	An economy that interacts with other economies is known as _____	(01)
	1.18	_____ growth is the percentage increase in the real GDP	(01)
	1.19	The price elasticity of demand measures the _____ in quantity demanded due to a change in price.	(01)
	1.20	A shift in the supply curve to the right indicates an _____ in supply.	(01)

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PART-B

2	a	Discuss Hawthorne effect in today's workplace. How can managers apply these concepts to improve work performance?	(08)
	b	Elaborate on the contributions of Henry Fayol to Management theory and justify the relevance of this theory for today's organizations.	(08)

3	a	Though decentralization is a welcome idea for efficient administration of any organization, but it comes with its own drawbacks. Discuss	(08)
	b	In today's business environment, more than any preceding era, the only constant is change. Successful organizations effectively manage change, continuously adapting their bureaucracies, strategies, systems, products, and cultures to survive the shocks and prosper from the forces that decimate the competition. With this context Explain in detail the Strategic Management process.	(08)

OR

4	a	The Taj west End Hotel has divisions such as reception, outdoor catering, conference hall maintenance and sales. With a schematic representation, illustrate the type of organization structure with advantages and disadvantages.	(08)
	b	Describe the situations where the decision making can be Decentralized. Explain any two cases in detail.	(08)

5	a	Theory X follows lower order needs and Theory Y follows higher order needs. Elucidate using Maslow's hierarchy of needs theory.	(08)
	b	Discuss the findings of Ohio state studies in reference to this following quotation by Mahatma Gandhi "I suppose leadership at one time meant muscles; but today it means getting along with people".	(08)

OR

6	a	Explain the three key linkages in expectancy theory and their role in motivation, which affect a worker's level of performance with an example?	(08)
	b	Exhibit the relationship between task behavior and relationship behavior using Blake & Mouton's managerial grid.	(08)

7	a	Discuss the role of firms in the circular flow model. How do they interact with households? How does the financial sector contribute to the circular flow of income and expenditure	(08)
	b	With the help of a neat sketch explain the concept of IS-LM model used in macroeconomics	(08)

OR

8	a	Describe the income approach to measuring GDP. What are the different types of income included in this approach. Also Discuss the role of exports and imports in GDP calculations. How do they impact the overall GDP of a country?	(08)
	b	Whether the classical growth theory of macroeconomics is relevant in today's economic scenario.	(08)

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9	a	Would you expect supply to play a more significant role in determining the price of a basic necessity like food or a luxury like perfume? Explain	(08)
	b	Illustrate the concept of a shortage and a surplus in a market. What are the implications of each for prices and quantities exchanged?	(08)

OR

10	a	Compare and contrast elastic, inelastic, and unitary price elasticity's of demand and supply. Provide examples for each.	(08)
	b	Will the firms in an oligopoly act more like a monopoly or more like competitors? Briefly explain	(08)
