**Program: BBA Assignment (spring-2020)**

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**Course Title: Principles of Management Instructor: Shoala Rasheed Khan**

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Q1.a. What is Management? How management can be implemented efficiently and effectively?  
Ans: Management  
 Management is the achievement of organizational goals in an effective and efficient way through planning and decision making, organizing, leading and controlling organizational resources. Organizational resources include men (human) material and money. It is necessary to define these two terms.  
-EEFICINEY:  
 It means to give maximum output by the utilization of minimum input.  
-EFFECTIVENESS:  
 It means to achieve the goal of the organization or simply means that it deals with the result.  
Management can never be achieved without efficiency and effectiveness both these factors are the important compound of management.  
-Example  
If we ask john to sell 50 units of fan in 5 days and as a result john sell 50 units of fans in 7 days, in this case there is no management as the efficiency of john is slow.  
If john sell 50 units of fans in 4 days then we can say that john is efficient as well as effective and we can call this situation to be properly managed.  
  
Q1 (b): what are the three basic levels of Management? Name the important areas and personnel in management?  
Ans: There are three basic level of managers.  
1. Top Level/ Administrative level  
 They are basically the board of directors, chief executive and the managing directors. The top level of the management are the source of authority and it manages the over-all goals, strategy and operating policies.  
They execute the plans of the organization in according with the policies they also make plans for the sub-units of the organization. They take part in the employment and training of the lower management they are also responsible for coordinating the activities within the departments. Top level managers assemble all the sources such as finance and fixed assets. They arrange all the finance required to carry day to day activities.   
  
2: Middle level / Executory   
 Middle level managers are the large group of managers in the organization who are primarily responsible for implementing the policies and plans of the top level managers they supervise and coordinate the activities of the lower level managers they devote more time to organizational and directional functions. In small organization there is only one layer of middle level of management but in big organization there maybe senior and junior middle level of management. They also sends important reports and other important data regarding the organization to the top level management. They evaluate the performance of junior managers and they are responsible for inspiring the lower level managers towards better performance.  
  
3: Low level / supervisors / First line managers  
 they are those managers who supervise and coordinate the activities of operating employees. First line managers refers to those executives whose work has to be largely with personal oversight and direction of employees. They are concerned with directing and controlling functions of management. They assign tasks to various workers they guide and instruct workers for day to day activities. They are responsible for the quality and quantity of production. They help to solve the unfairness of the workers. They supervise and guide the sub-ordinates and also ensure the discipline in the organization and also motivate workers and are the image builders of the organization because they are in direct contact with the workers.  
  
-Key personnel in a value-added business and their duties include:   
1. Operational manager  
This individual is the leader for the operation and has overall responsibility for the financial success of the business. The operations managers handles external relations with leaders, community leaders and vendors. Frequently this individual also also in charge of either production or marketing for the business. This person will set in motion the vision, strategic plan and goals for the business.  
2. Quality control, safety, environment manager  
This is a key function in any industry and in particular, one that deals in food products. In small business one person generally will be responsible for handling OSHA compliance, EPA compliance, monitoring air and water quality, product quality, training of employees in each of these areas and filing all necessary monthly, quarterly and yearly reports.  
3. Account, bookkeeper controller  
This is another function. The individual filling this role has the responsibility for monthly income statements and balance sheets, collection of receivable, payroll and managing the cash. The key aspects here is a managing the cash.  
4. Office manager   
The person in this a lot also may serve as human resource director, purchasing agent and traffic cop with salespeople and vendors. This employee in general will oversee anything not involve in production and may also handle some marketing duties.  
5. Receptionist  
sometimes called the front line person the receptionist handles phone calls greets visitors handle the mails does the billing and performs many other tasks as required by the office manager.  
6. Foreperson, supervisor   
This individual is the second in command in the shop and will oversee production in the absence of the owner general manager or president. This position usually will have an overall understanding of all aspects of the business and also will handle working with new employees including setting up training and schedules.  
7. Marketing manager   
if finance permits a marketing manager may be on staff to handle all aspects related to promoting and selling the product. The top management person often handles this duty in small business.  
8. Purchasing manager  
Duties of this position may be filled by wither or both the general manager/top management person and the office manager. The supervisor or lead person often also is involved.  
9. Shipping and receiving person or manager  
this may not be a full time position in a startup business someone however needs to be assigned the task of packaging ordering transportation for delivery receiving incoming material and warehousing of finished goods and stock. Several people may be involved in this including the office manager, foreperson or accounting clerk.  
10. Professional staff  
Instrumental in each company new or existing are the firm’s professional staff resources. These includes an accountant, a lawyer, a computer consultant and possibly, a local doctor or access to a medical facility. Although perhaps not outlined as full-time staff positions in your organization, these roles should be considered a part of the management team and discussed in the development of the business plan.  
  
Q2(a): Define Scientific, Classical and behavioural Management Perspective?  
Ans: SCIENTIFICE MANAGEMENT:  
 Fredrick Taylor is considered to be the father of scientific management he gave the opinion that every work should be performed scientifically by properly defining the tasks and activities the tasks and activities involved in it. He said that old rule of thumb activities should be replaced with modern tools and techniques he also added that to work scientifically one must train and develop its employees for it.  
  
-CLASSICAL MANAGEMENT:  
 This perspective of management is derived from the revolution in the industrialization the focus was made on the productivity, efficiency and performance rather than on the people and their behaviour.  
  
-BEHAVIORAL PERSPECTIVE:  
 It is also known as human relation movement this school of thought believes in the betterment of human beings. It believe that human being shall be treated as human beings and not machines all the policies shall be made by keeping in view of humanitarian aspects.  
  
Q2.b. What are the basic key of managerial role?   
Ans: mainly there are three roles being performed by the managers.  
1. INTERPERSONAL ROLE  
this means to have the skills to work and coordinate properly with others.  
-FIGUREHEAD:   
Ethical guideline and the principle of behaviour employees are to follow in their dealings with customers and suppliers.  
-LEADERS:  
 Give direct commands and orders to subordinates and make decisions.  
-LIAISON:  
 Coordinate between different departments and establish alliances between different organizations.  
  
2. INFORMATIONAL ROLE:  
-MONITOR:  
 Evaluate the performance of managers in different functions.  
-Disseminator:  
 communicates to employees the organization’s vision and purpose.  
-SPOKEPERSON:  
 Give a speech to inform the local community about the organization’s future intentions.  
  
3. DECESIONAL ROLE:  
-ENTERPRENEUR:  
 commit organization resources to develop innovative goods and services.  
- DISTURBANCE HANDLER:  
 To take corrective actions to deal with unexpected problems facing the organization from the external as well as internal environment.   
- RESOURCE ALLOCATOR:  
 Allocate existing resources among different functions and departments.  
-NEGOTIATOR:   
 Work with suppliers, distributors and labour unions.  
  
Q3 (a): Explain Hawthorne studies with examples.  
Ans: Hawthorne effect can be defined as the inclination of some people to perform better and work harder while they are being observed as a part of an experiment. While the Hawthorne theory was being incorporated in several companies in the United States of America, a bunch of experiments were conducted in the Western Electric Company at the Hawthorne plant in Chicago. These experiments were studied by the researches of the same organization. Soon, these experiments became popular as Hawthorne studies or the Hawthorne effect.  
  
-Illumination Studies – Experiment 1  
Illumination Studies was the first experiment conducted to examine the relationship between productivity and the level of lighting and the effect of changes in the work environment on productivity. Accordingly, the employees were divided into two teams namely the test group and the control group. The test team was subjected to varying levels of illumination throughout the period of experiment i.e. medium, high, and low illumination. These were varied for several days. On the other hand, the control team was subject to a constant level of illumination throughout the experiment. The result of the experiment was apparently surprising, there was a surge in productivity in the control team although the illumination was constant, it was more surprising to see a substantial increase in productivity even in the test group where the illumination was varied. The result was quite confusing and the researchers couldn’t conclude anything post the experiment and eventually took help from the academicians Fritz Roethlisberger and Elton Mayo from outside the organization. In order to arrive at a conclusion for the above experiment, the researchers of the organization, along with the academicians, started working on their second experiment- the relay assembly room experiment.  
  
- The Relay Assembly Room Experiment – Experiment 2  
A group of 12 women employees were chosen and divided into 6 members into two groups- Control and Test groups. Changes were brought about in the test group, with varying rest periods and increased remuneration for increased productivity, while keeping the work conditions constant for the control group. This experiment continued for a period of two years and yet again the results were that both the groups exhibited increase in productivity. Based on the results the researches finally concluded that the increase in productivity, regardless of varying working conditions, was a result of the attention given to the employees. In other words, employees’ motivation and productivity were a result of attention given to them by the management, the effect was further coined as Hawthorne Effect.  
  
- Bank Wiring Observation Room Experiment- Experiment 3  
  
The bank wiring observation room experiment was different from the other two experiments in the sense that the organization chose 14 male workers and instructed them to work as a group in a single room for a couple of months. The group was motivated with varying levels of incentives based on employee productivity. The employees were offered incentives for greater individual productivity and the group was also offered remuneration for the increase in productivity while expecting a substantial increase in output. In reality, the group actually produced a restricted output resulting in confusion again.

Depending on the analysis of the questionnaires and interviews, the researchers concluded that-

* An informal group was established within the test group, and this group had its own unwritten rules through which it controlled its team members.
* The standard output devised by the group was different from that of the management. For instance, if the management thought the group should produce 5 equipment, the team produced 3 because the latter thought 3 was good enough.

The group used techniques like social isolation; if any team member produced more, and such members of the team were ridiculed, mocked, and isolated for being the puppet in the hands of the management.  
  
Q3 (b): what is theory X and theory Y assumptions.  
Ans: Assumptions of Theory X  
 Assumptions of theory X are based on manager’s perception of the nature of employees or workers in the workplace the assumptions of Theory X are as follows.  
-Employees does not like work and always try to escape from work whenever possible.  
-Theory X employees show high resist towards change and these people generally dislike responsibilities.  
-A close supervision is necessary for them in order to make them productive.  
-High degree of control and continuous supervision is necessary at energy step of the work.  
-People must be threatened and directed in an authority’s style.  
  
  
Assumptions of Theory Y  
-Theory Y employees perceive that their jobs quite quite normal and relaxing.  
-Skills and capabilities can make them productive.  
-They utilize their potentiality in reaching the individual and organizational goals.  
-Employees never completely satisfy in fulfilling self-esteem and self-actualization needs.