

FALL-2023-24	SLOT: G2+TG2
Course Code and Name	BMGT101L & Principle of Management
CAT-1 ANSWER KEY	

Q.1 Mintzberg suggested that three specific roles are defined by specific actions or behaviors expected and exhibited by a manager. Elaborate on them.

Answer: The **interpersonal roles** involve people (subordinates and persons outside the organization) and other ceremonial and symbolic duties. The three interpersonal roles include **figurehead, leader, and liaison**. The **informational roles** involve collecting, receiving, and disseminating information. The three informational roles include monitor, disseminator, and spokesperson. Finally, the **decisional roles** entail making decisions or choices and include entrepreneur, disturbance handler, resource allocator, and negotiator

1. **Figurehead:** This role would expect the manager to perform duties of welcoming and felicitating dignitaries, going for business lunches and attending important functions of employees.
2. **Leader:** As a leader, every manager must encourage and persuade his employee to work. He must try to bring together their interpersonal needs with the goal of organization.
3. **Liaison:** In his role as a liaison, every manager must develop contacts outside his perpendicular chain of command to collect information for his organization.
4. **Monitor:** As a monitor, the manager has to constantly scan his environment for information, debrief his contacts and his subordinates and decide on unsolicited information, where much of it a result of the network of personal contact developed.
5. **Disseminator:** In the role of a disseminator, the manager passes some information openly to his subordinates who would otherwise have no access to it.
6. **Spokesman:** In this role, the manager informs to satisfy various groups and people who influence his organization. He assures his shareholders of financial performance. He assures consumer groups that the organization is fulfilling its social responsibilities. He satisfies the government that the organization is abiding laws.
7. **Entrepreneur:** In this role, the manager is an idea- seeker who seeks to improve his unit by adapting it to changing conditions in the environment.
8. **Disturbance Handler:** In this role, the manager is expected to seek solutions of various unforeseen problems – for example if there is a strike, lockdown or a major customer goes bankrupt it is the duty of the manager to find a solution.
9. **Resource Allocator:** In this role, the manager must divide work and delegate authority among his subordinates. He must decide who will get what.

10. **Negotiator:** The manager has to spend considerable time in negotiation. As a representative of his company it is the duty of the manager to negotiate with the management for the welfare of the workers, he needs to negotiate with the union leader if there is a strike issue, or the foremen may negotiate with the workers on any grievances they may have.

Q.2 One of the software companies in India recently found out that 425 of its senior employees performed far below management's expectations. Present any five principles of Fayol that could be implemented to improve the performance.

Answer:

1. **Division of Work:** his principle suggests that work should be divided into smaller, more manageable tasks, resulting in higher efficiency and productivity.
2. **Discipline:** Discipline requires employees to be disciplined and follow the rules and procedures set by the company. For example, employees who consistently arrive late for work may face disciplinary action.
3. **Remuneration:** Remuneration requires that employees should be paid fairly for their work. For example, if an employee consistently performs at a high level, they should receive a higher salary than someone who performs at a lower level.
4. **The Stability of Tenure of Personnel:** The stability of tenure of personnel requires that employees should be given job security. For example, an employee should not be laid off without a valid reason
5. **Esprit de Corps:** Esprit de Corps suggests that there should be a sense of unity and camaraderie within the organization. For example, a company may organize team-building activities to encourage employees to work together.

Q.3 Present short observations on SWOT analysis and portfolio matrix with at least one example

Answer:

SWOT Analysis: The combined external and internal analyses are called the **SWOT analysis**, an analysis of the organization's strengths, weaknesses, opportunities, and threats.

After completing the SWOT analysis, managers are ready to formulate appropriate strategies—that is, strategies that

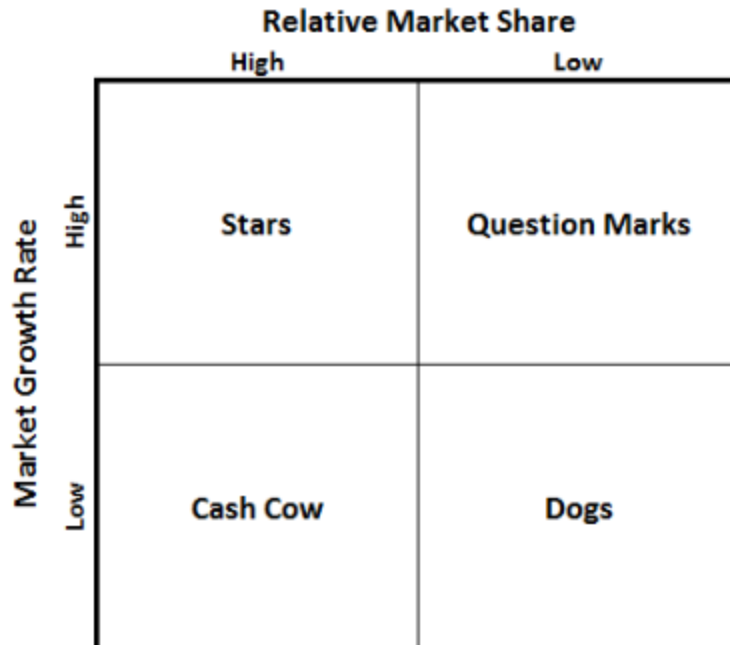
- (1) exploit an organization's strengths and external opportunities,
- (2) buffer or protect the organization from external threats, or
- (3) correct critical weaknesses

SWOT analysis of Apple :

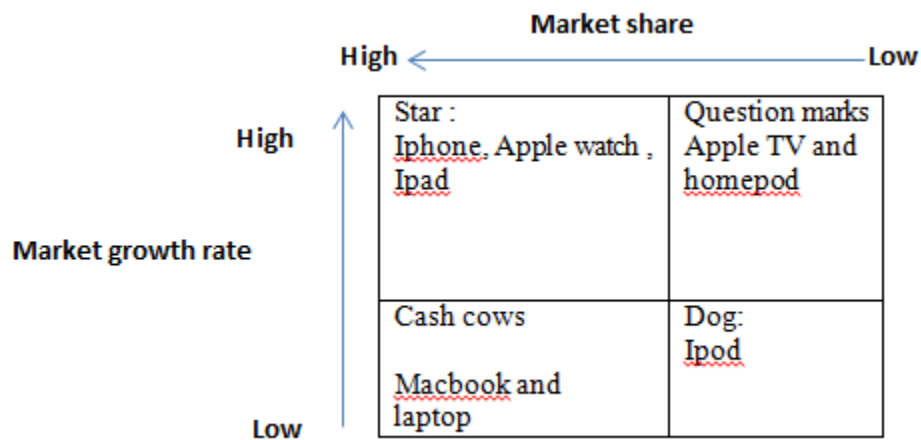
Strengths	Weakness
<ul style="list-style-type: none"> • Apple has high standards of products and services, which makes it the most trusted brand image • The organization has high liquidity and profitability owing to its massive financial strength • The supply chain is highly sophisticated and innovative • Premium and efficient products guarantee high sales, high profit margins and A loyal customer base 	<ul style="list-style-type: none"> • Prices are high and don't aim to compete with other brands • Range of products is narrow • Products and services are exclusive and hence non-compatible with other brands
Opportunities	Threats
<ul style="list-style-type: none"> • The demand for newer electronic gadgets, especially smartphones, is constantly growing, irrespective of the prices 	<ul style="list-style-type: none"> • Competitors keep emerging and challenging apple • Manufacturing costs are constantly rising • Personal computer sales have fallen which has affected apple's market share

Portfolio matrix:

When an organization's corporate strategy encompasses a number of businesses, managers can manage this collection, or portfolio, of businesses using a tool called a corporate portfolio matrix. This matrix provides a framework for understanding diverse businesses and helps managers establish priorities for allocating resources. The first portfolio matrix—the BCG matrix was developed by the Boston Consulting Group. BCG introduced the idea that an organization with various businesses could be evaluated and plotted using a 2 × 2 matrix to identify which ones offered high potential and which were a drain on organizational resources. The horizontal axis represents market share (low or high), and the vertical axis indicates anticipated market growth (low or high).



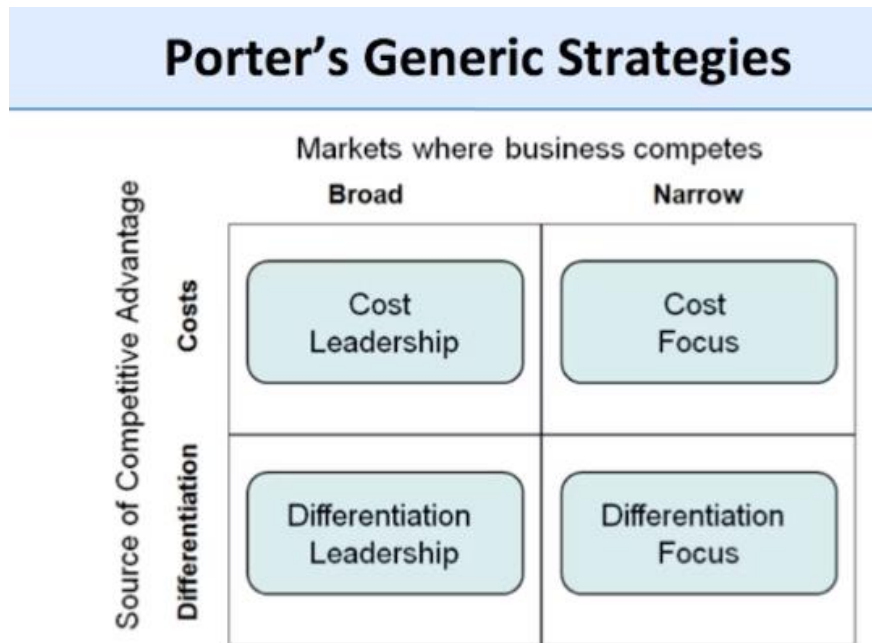
Example of Portfolio matrix: Apple



Question 4: Explain Porter’s generic strategies with a specific example for each strategy

Based on Porter’s Five forces model, the next step is to identify how your company is going to compete and formulate a competitive strategy. Ideally, organization wants to sit in a position where you can balance the 5 Forces and maximize your profit. The key question to answer here is how you are going to achieve a competitive advantage that will put your organization in a winning position.

Examples of companies with cost leadership positions are: Southwest Airlines, Wal-Mart, McDonald's, EasyJet, Costco and Amazon. Examples of companies with differentiated products and services are: Apple, Harley-Davidson, Nespresso, LEGO, Nike and Starbucks. Examples of companies with a differentiation focus strategy are: Rolls Royce, Omega, Prada and Razer. Examples of companies with a cost focus strategy are: Claire's, Home Depot and Smart



Question 5 A recent Harvard University graduate has become a trainee engineer at TOYOTA after completing his study. In an ambitious move, he met with the company's CEO to present a strategic plan aimed at boosting the company's performance. Identify the breaches he made in the existing organizational structure and recommend an improved structure, supported by a clear diagram.

Answer: As question says, a trainee engineer met with CEO of company. There is no breach in meeting to CEO from the organizing point of view. But this question clearly states that this trainee engineer discussed the strategic plan to boost the performance of company which is a clear violation of organizing principles such as **Chain of Command, authority and responsibility**.

The chain of command is the line of authority extending from upper organizational levels to lower levels, which clarifies who reports to whom. Authority refers to the rights inherent in a managerial position to tell people what to do and to expect them to do it. When managers use their authority to assign work to employees, those employees take on an obligation to perform those assigned duties. This obligation or expectation to perform is known as responsibility.

As per above definition, neither he had responsibility to develop the strategic plan nor he was authorized to tell what to do. Although, it is a good practice to encourage the initiation which is in line with organization goals, but employee must report his immediate department manager to discuss his idea. By not doing so, he broke the chain of command. Here is a diagram of improved structure to report which includes line and staff authority:

