



University of Kelaniya - Sri Lanka
Centre for Open and Distance Learning
Bachelor of Business Management (General) Degree
First Examination (External) - 2007
BMGT E 1015/ BMG 102.1 - Principles of Management



No. of Questions: 07

Time: 03 hours

Answer five (05) questions, including question No. 01

(01) Read the following case and answer the questions given at the end.

Management of estates

Managing Director (MD) of a statutory Board dealing with extension activities of a key plantation in Sri Lanka called for a meeting with the Manager (Estate Management) (EM) and the Estate superintendents with a view to discuss the progress of estates assigned by the government two years ago for the purpose of managing its plantation effectively.

Responding to the inquiry made by the MD, Manager (EM) stated that as he could remember the government handed over an extent of approximately 10,000 of acres to his division and its plantation has been managed at an extremely satisfactory level. On the request made by the MD to submit the progress of each crop separately Manager (EM) explained the following points in respect of the crop relating to plantation of coconut, and intercrops such as pepper, plantains and cinnamon

- I The crop of the coconut production is mostly dependent on the weather condition and fertilization and it would be possible to increase the crop during the period of next few years.
- II It was mentioned that details of the extent of intercrop production was not available in the head office and they could be obtained from the estate superintendent attached to each estate.
- III Manager (EM) informed further that he was well aware of the very satisfactory crop levels maintained for production of each intercrop.

MD inquired whether the targets set for each crop have been achieved. Manager (EM) said that his target was to increase the crop year by year. Responding to the inquiry made as to how an evaluation was made in respect of achievement of targets he informed that the only method available for evaluation was to make a comparison between the crop of each plantation achieved in the current year and the previous year.

On the clarifications sought on the progress made in respect of each estate, opinions expressed by all superintendents of estates are stated in brief as follows .

- I Making use of the experience they have gained in cultivation of coconut and other intercrops for a long period of time, they make the highest contribution for uplifting the crop of each plantation.
- II They make decisions independently in respect of cultivation activities and therefore the necessity of obtaining the views of others has not been arisen.

Inquires were made as to find out whether the meetings have been conducted monthly or once in three months in order to discuss the matters relating to management and whether progress reports were submitted to the head office as a matter of practice. As pointed out by estate superintendents no necessity has been arisen to conduct such meetings or sending progress reports to the head office since the manager (EM) was in touch with them over the telephone and in addition to that Manager (EM) paid frequent visits to each state at least twice a month. Explaining the position with regard to planting coconut they said that each of them have made their own arrangements to obtain the requirements of coconut seed nuts. MD stated that hybrid coconut plants of good varieties produced on the basis of research are available in nurseries maintained by this institution. Estate superintendents were not aware of this information.

MD was not satisfied with regard to the matters clarified in this discussion. MD made a request to Sirinimal who participated at this discussion in his capacity as a management consultant to submit a preliminary report to the MD stating the management issues arisen in the Estate Management and the recommendations he makes to solve them effectively.

- (a) Explain the management issues arisen from the above discussion applying principles and concepts of management in your capacity as a Management Consultant having with a good knowledge in such principles and concepts.
(10 marks)
 - (b) Explain the recommendations you make for solving the management issues you have identified applying theoretical concepts specified in principles of Management.
(18 marks)
- (02) Describe (a) MaxWebber's contribution to the General Administrative Theories of management and (b) importance of applying bureaucracy for management purposes and criticism prevailing against this concepts in modern thinking of Management.
(18 marks)
- (03) "There are various mechanisms through which organizations adapt to their environment. However organizations are not necessarily helpless in the face of environments. Indeed many organizations are able to directly influence their environment in many different ways."
- (a) What are the mechanisms normally applied by organizations for adapting to environment.
(06 marks)

- (b) Explain in detail different ways available for an organization to influence its environment citing practical examples. (12 marks)
- (04) “Managerial Decision making is assumed to be rational. It is a systematic and analytical approach which provides some guidelines as to how a decision should be made.”
- (a) What is meant by a decision (05 marks)
- (b) Describe in brief the steps involved in rational decision making process (05 marks)
- (c) Explain in detail the first step of rational decision making process (08 marks)
- (05) (a) What is meant by co-ordination (04 marks)
- (c) Why do you need co-ordination for operating organizational function of management (05 marks)
- (d) Explain three techniques that managers can use for achieving Co-ordination. (09 marks)
- (06) Job Enlargement and Job Enrichment programmes are mostly based on the Two Factor Theory of Herzberg (Herzberg’s Motivation – Hygiene Theory) and a conceptual framework for guiding managers in designing, motivating jobs has been provided by job characteristic Model of Motivation”
Make a critical evaluation of this statement. (18 marks)
- (07) “How social Responsibility should be met is a decision to be taken by the management based on its approach”
- Discuss the validity of this statement paying attention to the following news paper report and explaining different approaches of “Social Responsibility” based on theoretical concepts.
- News paper report** (Financial Review of Island News paper dated 14th march 2008)
“Orange Eclectic Lighting is the biggest contribution to the Blind Federation. Orange Electric lighting has contributed over Rs. 20 Million towards the blind cause since 2006. It was instrumental in restoring the sight to more than 1000 deserving citizens of this country through this CSR (Corporate Social Responsibility) partnership.” (18 marks)