Business Organisation and Management PYQ 2019

Q1. (A)Coordination is the orderly arrangement of group efforts to provide unity of action in the pursuit of a common purpose.' In the light of this statement, explain the nature of coordination.

Ans1 a Coordination is the process of integrating the activities of different individuals or groups to achieve a common goal. It involves bringing together various resources, tasks, and people to work in a harmonious and unified manner towards a shared objective.

The nature of coordination is that it is essential for the success of any group or organization. Without coordination, individuals and groups may work at cross-purposes, duplicating efforts or working inefficiently, resulting in waste of resources, time, and effort. Therefore, coordination ensures that each individual or group is aware of the common objective and how their contribution fits into the larger picture, enabling them to align their actions towards the common goal.

Coordination is a continuous and dynamic process, requiring constant communication, feedback, and adjustment. As circumstances change, coordination must adapt to ensure that the group's efforts remain aligned with the overall objective. Effective coordination requires clear communication channels, well-defined roles and responsibilities, and a shared understanding of the goals and objectives of the group.

In summary, the nature of coordination is to provide unity of action in the pursuit of a common purpose. It is a crucial process that enables individuals and groups to work together effectively towards a shared objective, ensuring that resources, time, and effort are used efficiently and effectively.

Q1. (B) One man control is the best in the world if that one is big enough to manage everything.' Explain this statement.

Ans1 b The statement "One man control is the best in the world if that one is big enough to manage everything" suggests that having a single person in charge who is capable of managing all aspects of an organization or enterprise is ideal. However, this statement overlooks some significant limitations and drawbacks of a one-man control approach.

Firstly, no single person can be an expert in all areas of an organization. Different areas require different skill sets, and it is challenging for one person to have in-depth knowledge of all of them. For example, a CEO may be skilled in strategy, but may not have expertise in finance, marketing, or operations. In such cases, having a team of experts in each area is essential for the success of the organization.

Secondly, relying on one person to manage everything can create a bottleneck in decision-making, leading to delays and inefficiencies. It also leaves the organization vulnerable to a single point of failure, where the organization's success or failure is dependent on one person's performance or decision-making ability.

Thirdly, one-man control can also lead to a lack of accountability and transparency. Without checks and balances, the one in control may make decisions that are not in the best interest of the organization or may engage in unethical behavior without being held accountable.

In conclusion, while having a capable and competent leader is undoubtedly essential, relying on one person to manage everything can be risky and limiting. Effective organizations require collaboration, delegation, and teamwork to succeed in achieving their goals. Therefore, a team-based approach with clearly defined roles and responsibilities, and effective communication and coordination is often a more effective way to manage an organization than relying solely on one person's control.

OR

Explain franchising as a business format. Explain its features and the different types of franchising arrangements.

Ans Franchising is a business format in which a company (the franchisor) grants the right to use its brand, products, and business model to another party (the franchisee) in exchange for a fee or a percentage of sales. Franchising is a popular business format that enables entrepreneurs to start and operate a business using an established brand and business model, with the support of the franchisor.

Features of franchising include:

1. Use of the franchisor's brand, products, and business model

2. Payment of an initial franchise fee and ongoing royalties to the franchisor

3. Ongoing training and support from the franchisor

4. Adherence to the franchisor's operational standards and guidelines

5. Restricted territorial rights for the franchisee

There are different types of franchising arrangements, including:

1. Product distribution franchising - The franchisor supplies products to the franchisee, who sells them under the franchisor's brand name.

2. Business format franchising - The franchisor provides a complete business system to the franchisee, including branding, products, services, and operational support.

3. Management franchising - The franchisor provides management and operational support to the franchisee, who operates the business independently.

4. Conversion franchising - The franchisee converts an existing business into a franchise, using the franchisor's brand name and business model.

5. Master franchising - The master franchisee acquires the right to develop and sub-franchise the franchisor's business model in a specific territory or region.

In summary, franchising is a business format that allows entrepreneurs to start and operate a business using an established brand and business model, with the support of the franchisor. Franchising offers a range of benefits to both the franchisor and the franchisee, including reduced risk, access to established markets, and ongoing support and training. There are different types of franchising arrangements, each with its own unique features and benefits.

Q2. (A) Explain security problems related to e-business. Mention the steps to deal with security problems.

Ans2 E-business refers to the conduct of business activities using electronic means, such as the internet, computer networks, and other digital technologies. While e-business offers many benefits, including increased efficiency, cost savings, and global reach, it also exposes businesses to various security risks. Some common security problems related to e-business include:

1. Unauthorized access to sensitive information, such as customer data, financial information, and intellectual property.

2. Malware, viruses, and other malicious software that can infect computer systems and disrupt business operations.

3. Phishing and other social engineering attacks, which trick individuals into divulging sensitive information.

4. Denial-of-service (DoS) attacks, which can disrupt or disable websites and online services, causing loss of revenue and reputation damage.

To deal with these security problems, businesses should take the following steps:

1. Implement strong access controls: Use passwords, multi-factor authentication, and other access controls to limit access to sensitive information and systems.

2. Use encryption: Use encryption to protect sensitive data in transit and at rest, such as credit card numbers and other financial data.

3. Train employees: Educate employees on best practices for data security, such as not clicking on suspicious links or opening email attachments from unknown sources.

4. Regularly update and patch systems: Keep software and hardware up-to-date with the latest security patches to minimize the risk of malware and other security threats.

5. Backup important data: Regularly backup important data to prevent data loss in case of a security breach.

6. Monitor network activity: Monitor network activity to detect and respond to security incidents quickly.

7. Develop a response plan: Have a security incident response plan in place to quickly respond to security incidents and minimize damage.

In summary, e-business exposes businesses to various security risks, but with proper measures such as implementing strong access controls, using encryption, training employees, regularly updating and patching systems, backing up important data, monitoring network activity, and developing a response plan, businesses can effectively deal with these security problems and minimize the risk of a security breach.

Q2. (B) Explain the concept of social responsibility and give arguments for social responsibility of business.

Ans2 Social responsibility refers to the idea that businesses have an obligation to act in a way that benefits society and not just their shareholders. This means that businesses should consider the impact of their actions on various stakeholders, including customers, employees, communities, and the environment, and take steps to minimize any negative impact and maximize positive impact.

Arguments for social responsibility of business include:

1. Reputation: A socially responsible business is more likely to have a positive reputation among customers, employees, and other stakeholders, which can lead to increased loyalty, trust, and profitability.

2. Employee retention and satisfaction: A socially responsible business is more likely to attract and retain employees who are passionate about the company's mission and values, leading to increased job satisfaction and productivity.

3. Customer loyalty: Customers are more likely to support and remain loyal to businesses that demonstrate a commitment to social responsibility and ethical practices.

4. Sustainability: Socially responsible businesses are more likely to focus on long-term sustainability, which can lead to better environmental practices and a reduced negative impact on the environment.

5. Legal compliance: Businesses have a legal and ethical obligation to operate in a way that complies with the law and does not harm the public interest.

6. Improved business relationships: Socially responsible businesses are more likely to have positive relationships with stakeholders such as suppliers, partners, and regulatory bodies, which can lead to improved business outcomes.

7. Increased profitability: Socially responsible practices can lead to increased profitability in the long run, by reducing costs, improving efficiency, and enhancing reputation.

In summary, social responsibility of business refers to the idea that businesses have a responsibility to act in a way that benefits society and not just their shareholders. Arguments for social responsibility include reputation, employee retention and satisfaction, customer loyalty, sustainability, legal compliance, improved business relationships, and increased profitability.

OR

Explain the concept of "Make in India". What are the various measures taken by the Central Government for the success of "Make in India Programme"?

Ans 2 "Make in India" is an initiative launched by the Indian government in 2014 with the aim of transforming India into a global manufacturing hub and promoting domestic manufacturing. The initiative aims to attract foreign investment and create employment opportunities by promoting ease of doing business, increasing competitiveness, and encouraging innovation.

To support the success of the "Make in India" initiative, the Central Government has taken various measures, including:

1. Simplifying regulations: The government has simplified and rationalized the regulatory framework for businesses to make it easier for them to set up and operate in India.

2. Improving infrastructure: The government is investing heavily in improving infrastructure, such as roads, railways, ports, and airports, to support the growth of manufacturing and trade.

3. Fostering innovation: The government is promoting innovation and entrepreneurship by providing incentives for research and development, patent registration, and incubation centers.

4. Skilling and reskilling: The government is focusing on skilling and reskilling of the workforce to meet the demands of the manufacturing sector and create employment opportunities.

5. Attracting foreign investment: The government is actively promoting India as an attractive investment destination for foreign investors, by offering incentives such as tax concessions and easing of foreign investment regulations.

6. Sector-specific initiatives: The government has launched sector-specific initiatives, such as the "Pharma Vision 2020" and "National Policy on Electronics", to boost the growth of specific industries and increase their competitiveness.

7. Branding and promotion: The government is promoting the "Make in India" brand globally to attract foreign investment and create a positive image of India as a manufacturing hub.

In summary, "Make in India" is an initiative launched by the Indian government to transform India into a global manufacturing hub and promote domestic manufacturing. The government has taken various measures, including simplifying regulations, improving infrastructure, fostering innovation, skilling and reskilling, attracting foreign investment, launching sector-specific initiatives, and branding and promotion, to support the success of the initiative.

Q3. What is the purpose of feasibility study of a project? What aspects should be considered in such a study?

Ans3 A feasibility study is a preliminary investigation conducted to determine whether a proposed project or venture is technically, economically, and operationally viable. The purpose of a feasibility study is to provide a comprehensive and objective analysis of a proposed project, to identify potential issues and risks, and to assess the likelihood of the project's success. The study helps stakeholders to make informed decisions about whether to proceed with the project, to modify it, or to abandon it.

The following aspects should be considered in a feasibility study:

1. Technical feasibility: This aspect assesses whether the proposed project is technically feasible, given the available technology, expertise, and resources.

2. Economic feasibility: This aspect assesses whether the proposed project is financially viable and can generate sufficient returns on investment to justify the costs.

3. Operational feasibility: This aspect assesses whether the proposed project can be implemented and operated effectively, given the available resources, infrastructure, and personnel.

4. Market feasibility: This aspect assesses whether there is a demand for the proposed product or service in the target market and whether it is commercially viable.

5. Legal feasibility: This aspect assesses whether the proposed project is compliant with the legal and regulatory requirements of the relevant authorities.

6. Environmental feasibility: This aspect assesses whether the proposed project has a minimal negative impact on the environment and whether it complies with the relevant environmental regulations.

7. Social feasibility: This aspect assesses whether the proposed project has a positive impact on the local community and whether it complies with the relevant social and ethical standards.

In summary, a feasibility study is conducted to determine whether a proposed project or venture is technically, economically, and operationally viable. Aspects to be considered in a feasibility study include technical, economic, operational, market, legal, environmental, and social feasibility.

OR

What is decision making? Explain quantitative techniques of decision making.

Ans3 Decision making is the process of selecting the best course of action among multiple alternatives based on a set of criteria or objectives. It is an important function of management, and effective decision making is critical to the success of any organization. There are two types of decision making: intuitive and analytical.

Quantitative techniques of decision making are analytical tools used to analyze numerical data and make decisions based on the results. These techniques involve the use of mathematical and statistical models to analyze data and provide insights into the problem at hand. Some common quantitative techniques of decision making are:

1. Decision trees: This technique is used to analyze the outcomes of different decisions and their associated probabilities. It involves constructing a tree diagram that shows the different decision options, the probabilities of each outcome, and the expected value of each decision.

2. Linear programming: This technique is used to optimize a linear objective function subject to linear constraints. It involves identifying the constraints and the decision variables, formulating the objective function, and solving the problem using mathematical optimization tools.

3. Monte Carlo simulation: This technique is used to simulate the outcomes of a decision under different scenarios by generating random values and using them to calculate the expected outcomes.

4. Sensitivity analysis: This technique is used to analyze the impact of changes in the input parameters on the output results. It involves varying the input parameters within a certain range and observing the changes in the output results.

5. Regression analysis: This technique is used to analyze the relationship between two or more variables and to predict the value of one variable based on the values of the other variables. It involves fitting a regression model to the data and using it to make predictions.

6. Forecasting: This technique is used to predict future values of a variable based on historical data. It involves analyzing the historical trends and using them to forecast future values.

In summary, quantitative techniques of decision making are analytical tools used to analyze numerical data and make decisions based on the results. Some common quantitative techniques include decision trees, linear programming, Monte Carlo simulation, sensitivity analysis, regression analysis, and forecasting.

Q4. Explain the main barriers to management communication and suggest measures for removing them.

Ans4 Effective communication is crucial for the success of any organization, but there are several barriers to management communication that can hinder the flow of information and lead to miscommunication or misunderstandings. Here are some of the main barriers to management communication and measures for removing them:

1. Language barriers: When people speak different languages, communication can become difficult. To remove this barrier, organizations can provide language training to employees, use translation services or technology, or hire multilingual staff.

2. Cultural barriers: Cultural differences can affect communication in various ways, such as non-verbal cues, different communication styles, and different attitudes towards authority. To remove this barrier, organizations can provide cultural awareness training to employees, encourage cross-cultural interactions, and promote open-mindedness and understanding.

3. Physical barriers: Physical barriers such as distance, noise, or poor lighting can hinder communication. To remove this barrier, organizations can use technology to facilitate remote communication, create quiet areas for conversations, and improve lighting and acoustics in meeting rooms.

4. Emotional barriers: Emotional barriers such as fear, mistrust, or anxiety can lead to defensive or guarded communication. To remove this barrier, organizations can promote a culture of trust and openness, provide support and resources for employees dealing with emotional stressors, and encourage effective conflict resolution skills.

5. Information overload: Too much information can overwhelm employees and make it difficult to focus on important messages. To remove this barrier, organizations can prioritize communication channels and messages, provide concise and clear communication, and encourage employees to ask questions and seek clarification.

6. Technological barriers: Technological glitches or incompatibilities can hinder communication, especially in remote or virtual environments. To remove this barrier, organizations can provide adequate training and support for technology usage, invest in reliable and user-friendly technology, and ensure compatibility across different devices and platforms.

In summary, barriers to management communication can include language and cultural differences, physical and emotional barriers, information overload, and technological glitches. To remove these barriers, organizations can provide training and resources, promote a culture of openness and trust, prioritize important messages, and invest in reliable technology.

OR

Explain the concept of flexitime. How can it help the employees in achieving work life balance?

Ans4 Flexitime is a system of working hours where employees can vary their start and finish times within certain limits. Instead of working a set number of hours from a fixed starting time, employees can choose to start earlier or later, finish earlier or later, or take a break during the day.

Flexitime can help employees achieve work-life balance in several ways:

1. Increased flexibility: With flexitime, employees have more control over their work schedule and can adapt it to their personal needs and commitments. This can reduce stress and increase job satisfaction.

2. Reduced commuting time: By avoiding rush hour traffic or crowded public transport, employees can save time and reduce the stress of commuting.

3. Better work-life integration: Flexitime can enable employees to better balance their work and personal responsibilities, such as childcare, eldercare, or pursuing hobbies or education.

4. Improved well-being: By having more control over their work schedule, employees can reduce the impact of work-related stress and fatigue, leading to better physical and mental well-being.

5. Increased productivity: Flexitime can increase employee motivation and engagement, leading to higher productivity and performance.

To implement flexitime, an organization needs to establish clear guidelines and policies to ensure that the system works smoothly and meets the needs of both employees and the organization. This can include setting core hours when all employees are required to be present, defining limits on how much variation is allowed, and establishing a system for tracking and managing flexitime arrangements.

In summary, flexitime is a system of working hours that allows employees to vary their start and finish times within certain limits. It can help employees achieve work-life balance by increasing flexibility, reducing commuting time, improving work-life integration, enhancing well-being, and increasing productivity.

Q5. Write short notes on any two of the following:

(a) Problems of small business

Ans. Small businesses face a range of problems that can hinder their growth and success. Here are some of the main problems of small business:

1. Limited resources: Small businesses often have limited financial, human, and technological resources compared to larger companies, which can make it challenging to compete effectively in the marketplace.
2. Difficulty accessing funding: Small businesses may find it difficult to secure funding from banks or investors, especially if they lack a track record of success or have limited collateral.
3. Marketing challenges: Small businesses may struggle to reach their target audience and stand out from competitors due to limited marketing budgets and resources.
4. Difficulty attracting and retaining talent: Small businesses may struggle to attract and retain skilled employees, as they may not be able to offer competitive salaries or benefits packages.
5. Legal and regulatory compliance: Small businesses must comply with a range of legal and regulatory requirements, which can be complex and time-consuming.
6. Lack of strategic planning: Small businesses may lack the resources or expertise to engage in strategic planning, leading to a lack of focus or direction in their operations.

To address these problems, small businesses can take a range of actions, such as:

1. Seeking out government or private sector funding opportunities, such as grants or loans, to finance business growth.
2. Developing effective marketing strategies, such as social media campaigns, targeted advertising, and networking.
3. Offering competitive salaries and benefits packages, as well as creating a positive work culture and providing opportunities for professional development.
4. Staying up-to-date with legal and regulatory compliance requirements, such as tax obligations and health and safety regulations.
5. Engaging in strategic planning and seeking out expert advice or mentorship to help develop a clear direction and focus for the business.

In summary, small businesses face a range of challenges, including limited resources, difficulty accessing funding, marketing challenges, talent retention, legal compliance, and lack of strategic planning. However, small businesses can take proactive steps to address these challenges and build a successful and sustainable business.

(b) Span of management and factors influencing the span of control

Ans. Span of management, also known as span of control, refers to the number of subordinates that a manager or supervisor can effectively manage. A narrow span of control means that a manager has a limited number of direct reports, while a wide span of control means that a manager has a large number of direct reports.

Factors influencing the span of control include:

1. Managerial abilities: The competence, experience, and leadership style of a manager can influence their ability to manage a larger or smaller number of subordinates.

2. Complexity of tasks: The complexity and interdependence of tasks can affect the amount of oversight and coordination required, which in turn can influence the span of control.

3. Clarity of goals and expectations: If goals and expectations are clear and well-communicated, it may be possible for a manager to effectively manage a larger number of subordinates.

4. Level of decentralization: If decision-making authority is decentralized and subordinates have more autonomy, a manager may be able to manage a larger number of subordinates.

5. Availability of resources: The availability of resources, such as support staff, technology, and training, can influence the span of control by enabling or constraining a manager's ability to manage a larger or smaller number of subordinates.

6. Physical proximity: If subordinates are physically close to the manager, such as in the same office or building, a wider span of control may be feasible.

In summary, the span of control refers to the number of subordinates that a manager can effectively manage. Factors influencing the span of control include managerial abilities, complexity of tasks, clarity of goals and expectations, level of decentralization, availability of resources, and physical proximity. A manager's span of control can have significant implications for the efficiency and effectiveness of an organization, and should be carefully considered in the design of management structures.

(c) Virtual or Network organisation

Ans A virtual or network organization is a type of organizational structure that utilizes technology and communication tools to enable geographically dispersed individuals or teams to collaborate and work together seamlessly. Virtual organizations are becoming increasingly popular due to advances in technology and the need for businesses to be more flexible and responsive to changing market conditions.

In a virtual organization, the traditional hierarchy of an organization is replaced by a network of individuals or teams who work together on specific projects or tasks. Communication and collaboration occur primarily through electronic means such as video conferencing, email, and instant messaging, rather than face-to-face interactions.

Some key characteristics of virtual organizations include:

1. Geographical dispersion: Virtual organizations typically consist of individuals or teams who are geographically dispersed and may be working from different locations around the world.

2. Flexibility: Virtual organizations are able to quickly adapt to changing market conditions and can be more flexible in responding to customer needs.

3. Focus on results: In a virtual organization, the focus is on achieving specific goals and objectives rather than following traditional organizational structures or processes.

4. Technology-driven: Technology is a critical component of virtual organizations, enabling communication, collaboration, and information sharing.

5. Cross-functional teams: Virtual organizations often rely on cross-functional teams to complete specific projects or tasks, bringing together individuals with different skill sets and expertise.

Virtual organizations offer a range of benefits, such as increased flexibility, reduced costs, and the ability to leverage specialized expertise from around the world. However, there are also some potential drawbacks, such as the need for effective communication and collaboration tools, the potential for misunderstandings and conflicts due to cultural differences, and the need for strong leadership to ensure that teams are aligned and working towards common goals.

Overall, virtual organizations represent a new and innovative approach to organizational design that can enable businesses to be more flexible, responsive, and adaptable in today's fast-changing business environment.

(d) Differentiate between Maslow's Need Hierarchy theory and Herzberg's two factor theory.

Ans5 d Maslow's Need Hierarchy theory and Herzberg's two-factor theory are two well-known motivation theories that explain what motivates individuals and how to increase their job satisfaction. Although both theories relate to employee motivation, they differ in their approach and the factors that they consider.

Maslow's Need Hierarchy theory suggests that human needs are arranged in a hierarchy, with basic physiological needs such as food, water, and shelter at the bottom and self-actualization needs such as creativity and personal growth at the top. According to Maslow, once a lower-level need is satisfied, it no longer serves as a motivator and individuals move on to fulfilling the next higher-level need. Maslow's theory suggests that the ultimate goal for individuals is to achieve self-actualization, which is the realization of their full potential.

On the other hand, Herzberg's two-factor theory suggests that there are two types of factors that influence employee motivation and job satisfaction. The first set of factors, called hygiene factors, include factors such as salary, job security, working conditions, and company policies. Hygiene factors are necessary to prevent dissatisfaction, but they do not necessarily motivate employees. The second set of factors, called motivators, include factors such as recognition, opportunities for growth, and achievement. Motivators are what truly motivate employees to perform at their best and achieve job satisfaction.

In summary, Maslow's Need Hierarchy theory proposes that individuals are motivated by the satisfaction of their needs, which are arranged in a hierarchy, while Herzberg's two-factor theory suggests that employee motivation and job satisfaction are influenced by hygiene factors and motivators. While Maslow's theory focuses on individual needs, Herzberg's theory takes a more holistic approach by considering both individual and organizational factors.