

<b>JUNE 2008</b>
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Code: AE16/AC17/AT20

Subject: INDUSTRIAL MANAGEMENT

3 Hours

Max. Marks: 100

**NOTE: There are 9 Questions in all.**

- Question 1 is compulsory and carries 20 marks. Answer to Q. 1. must be written in the space provided for it in the answer book supplied and nowhere else.
- Out of the remaining EIGHT Questions answer any FIVE Questions. Each question carries 16 marks.
- Any required data not explicitly given, may be suitably assumed and stated.

**Q.1 Choose the correct or best alternative in the following: (2x10)**

- a. "All work carried out by business enterprise is divided into Technical activities, Commercial activities, Financial activities, Security activities and Managerial activities". Who advocated this?
- |                 |                  |
|-----------------|------------------|
| (A) F.W. Taylor | (B) M.P. Follett |
| (C) H.L.Gantt   | (D) H. Fayol     |
- b. When a pure project structure is super imposed on a functional structure, the result is a
- |                            |                                       |
|----------------------------|---------------------------------------|
| (A) Line & Staff Structure | (B) Super Functional Structure        |
| (C) Matrix Structure       | (D) Informal Organizational Structure |
- c. The device to increase skill and ability of managers in an organisation is
- |                                |                            |
|--------------------------------|----------------------------|
| (A) Organisational Development | (B) Management Development |
| (C) Skill Improvement Program  | (D) Group Dynamics         |
- d. Theory 'X' & 'Y' was put forward by
- |                |                          |
|----------------|--------------------------|
| (A) Elton Mayo | (B) Hawthorne Experiment |
| (C) Herzberg   | (D) D McGregor           |
- e. Vestibule Schools are used for training
- |                 |                |
|-----------------|----------------|
| (A) Supervisors | (B) Workers    |
| (C) Managers    | (D) Executives |
- f. As per Factory Act 1948, Adult is a person who has completed
- |                                |                                  |
|--------------------------------|----------------------------------|
| (A) his fifteenth year of age  | (B) his sixteenth year of age    |
| (C) his eighteenth year of age | (D) his twenty first year of age |
- g. p chart is a
- (A) Control chart for variables

- (B) Chart used in production control  
 (C) Control chart for attributes  
 (D) Control chart for measurements
- h. Laying down the flow of work in the plant is known as
- (A) Routing (B) Scheduling  
 (C) Loading (D) Line of Balance
- i. Net working capital is
- (A) Current Assets minus Current Liabilities  
 (B) Capital minus Current Liabilities  
 (C) Current Liabilities minus Current Assets  
 (D) Capital minus Current Assets.
- j. Sales Promotion is undertaken
- (A) in order to provide promotion to outstanding sales staff  
 (B) when competition does not exist  
 (C) to increase sales volume  
 (D) to attract better talents for sales force

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**Answer any FIVE Questions out of EIGHT Questions.**  
**Each question carries 16 marks.**

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- Q.2** a. Planning is the basic function of Management. Describe briefly the steps involved in a Planning Process. (8)
- b. Define Market Research. Briefly describe various popular Market Research techniques. (8)
- Q.3** a. Define Delegation of Authority. What are its essential elements? Write briefly about the principles of delegation of authority. (8)
- b. Simplest form of organizational structure is Line Organization. Explain this statement by giving the advantages and disadvantages of such an organization. (8)
- Q.4** a. What do you understand by Organizational Change? Describe the change process in effecting the same in organizations. (8)

b. Explain the concept of Organizational Development. How does it differ from Management Development? **(8)**

**Q.5** a. What are the purposes of employment interviews? Describe in brief the sequence of functions that occur in the process of interviewing. **(8)**

b. Define employee grievance. What are the steps involved in handling an employee grievance? **(8)**

**Q.6** a. Strike is an ultimate weapon of the Trade Unions. What does a Strike imply? What are its causes and effects? **(8)**

b. State the important provisions regarding payment of wages, deductions from wages and imposition of fines, as given in the Payment of Wages Act, 1936. **(8)**

**Q.7** a. Define Productivity. How to increase productivity of resources in an organization? **(8)**

b. Draw a diagram in determining the EOQ based on the fact that it is the point where costs are the minimum.

Find the EOQ and the number of orders per year from the following data:-

- (i) Annual use 10000 units
- (ii) Procurement cost per order Rs.100/-
- (iii) Cost per price Rs.10/-
- (iv) Inventory carrying cost - 20% **(8)**

**Q.8** a. Describe briefly the concept of CPM. The relationship of nine activities in a project is given below. Draw a network **(8)**

Activity	A	B	C	D	E	F	G	H	I
Duration	9	9	10	4	7	3	8	7	2
Preceding Activity				A	B	C	D E F	C	G H

b. Explain Decision making. Distinguish between the Programmed and Non Programmed Decisions. **(8)**

**Q.9** a. Budget under preparation is a part of planning function and once prepared becomes a means of

control and coordination. Explain. **(8)**

b. Xeta company is currently functioning @ 50% capacity producing 10000 pieces of Dolls. The average cost of production now is Rs.75 per piece. With Direct material of Rs.10 per piece and Direct Labour of Rs.25 per piece, the rest is taken by fixed cost elements. Two new customers approach Alfa Company with offers for orders as below :-

(i) A offers to take 10000 pieces @ Rs.45 per piece

(ii) B offers to take 5000 pieces @ Rs.55 per piece

Do you think Xeta Co should take the offer of additional order and if so, which of the offer the company should prefer? **(8)**