

# International Institute of Health Management Research

PGDHM

Batch (2019-2021)

First Year

## Principles of Management Term Examination

Time - 3 Hour

MM-70

The question paper contains 2 printed page.

### Part-A

**Note: Attempt any four questions from part- A, each question carries 4 marks (4x4=16)**

- Q.1. Comment on management by objective
- Q.2. Management is science or art? Comment.
- Q.3 Explain Hawthorne studies.
- Q.4. Draw matrix organization structure
- Q.5. What is scientific management why it was criticized?
- Q.6. Explain Evolution of Human Resource Management in India

### Part-B

**Attempt any four questions in Part-B each question carries 10 marks (4x10=40)**

- Q. 1. What is management? Explain different functions of management
- Q.2 Suppose the task of planning malaria eradication program has been given to you. How would you plan the whole program considering the different steps involved in planning?
- Q.3 Assume you are owner of a multi- specialty hospital and highly reputed doctors are working for you and staff is also supporting them. Explain theory 'X', 'Y', and Z and discuss which theory you think is appropriate for your hospital and why? Give arguments in support of your answer.
- Q.4 How important is employee motivation and why? Explain Maslow's Hierarchy of Needs Theory of motivation.
- Q.5 What is corporate social responsibility? Comment on its importance in the present day scenario
- Q.6 The concept of Value chain management is important tool of cost containment. Comment.

### Part C

**Part-C is compulsory and carries 7+7= 14 marks**

**What went wrong with Ambassador - the iconic Indian car?**

On 25th May, 2014, Hindustan Motors announced that they will be suspending the production of Ambassador cars in India. Based on Britain's Morris Oxford series of cars by the Morris Motors, Ambassador was the first car to be produced in India. It started production in 1958, and for a long time was the only car to be sold in India.

In the fiscal year ending March 2014, the company sold only 2,200 cars out of the 1.8 million cars sold in India that year. Despite the fact that it had over 70% market share at a time, how did they lose their grip and slip to a mere 0.12% market share this year?

### **Signs of impending disaster**

From 1958, when they started their production in India to the early 1980s when Maruti entered the country with their flagship 800cc model, the Ambassador car enjoyed a monopoly. There was a time when people had to wait for over a year from the date of booking to the delivery of the new car. However, the increasing popularity of Maruti 800 hatchback was a warning about the impending

future. Soon after, in the 1990s after liberalization took over the country and markets opened up to new players, people started buying different car models. The waning popularity of the Ambassador should have been a signal for the management to innovate which they chose to ignore.

### **What went wrong?**

There were no significant changes in the design of the Ambassador in the last many years. The Royal Enfield which is a motorcycle brand with a similar hundred-year history behind it often comes up with new models and keeps its cult following happy, at the same time keeps the buzz about the brand alive in the market. Ambassador failed to take its inspiration from Royal Enfield.

Moreover, high maintenance, and low fuel efficiency added to their problems.

### **Hatchback, SUV**

As more cars came to the Indian market, the Ambassador didn't find a category to fit in, it was too big for a Hatchback and too small to be called an SUV. It never comes to mind when people think of buying cars nowadays.

### **From a status symbol to a taxi, and then neither**

In the early 1990s, the only place one could spot an ambassador was in the garage of a government official. And as time passed there were only three colors an ambassador could be seen sporting -- black and white with a red light or a yellow taxi. It was a status symbol for people using the official car – a fact that could have been used to create a strong brand perception. But unfortunately, the Ambassador did not even capitalize on that market and eventually lost out when the then Prime Minister Atal Bihari Vajpayee replaced his Ambassador car with a BMW SUV, and soon other ministers followed suite with their cars of preference.

### **Best taxi in the world?**

In a recent BBC show, Top Gear, the Ambassador was pitched against a variety of vehicles which are used as taxis and came out a clear winner. But that title did not do much to revive the image. Now, its role as a taxi is also limited as Tata Indica has slowly taken its place with the other cars. It was finally decided to give it a rest, till the team comes up with new ideas for its revival.

Q1. List down the reasons behind the fall of market share of Ambassador car

Q2. What measures Hindustan Motors should have taken to improve the situation.