BTMC 132: FUNDAMENTALS OF MANAGEMENT

Tutor Marked Assignments
Course Code: BTMC-132
Total Marks: 100
(2026)

Section A

Answer the following questions in about 500 words each.

1. Differentiate between Economic and Non-Economic activities. Discuss the relationship between Trade, Industry, and Commerce. 20
2. Describe the various managerial functions. How are these functions interrelated in the management process? 20

Section B

Answer the following questions in about 250 words each.

3. Describe the main elements of the Human Relations Approach to management. 10
4. Explain the role of informal groups and leadership in the workplace 10
5. Explain the concept of 'Span of Control' and the factors that determine it. 10

Section C

Answer the following questions in about 100 words each.

6. Give reason why a 'Sole Proprietorship' is preferred for small businesses. 6
7. What is a 'Policy Manual'? Explain its purpose. 6
8. What do you understand by the 'Rule of Thumb'? 6
9. What is Chain of Command? 6
10. How does delegation promote 'Management by Exception'? 6

1. Differentiate between Economic and Non-Economic activities. Discuss the relationship between Trade, Industry, and Commerce. 20

Answer

Human beings perform many activities to satisfy their needs, support their families and contribute to society. Business studies broadly divide these activities into economic and non-economic activities. This distinction is useful because it helps us understand why people work, how income is generated, and how different types of organisations serve society.

Economic and non-economic activities

Economic activities are undertaken mainly to earn money or a livelihood by producing, distributing or providing goods and services. Farming crops for sale, working as a hotel receptionist, operating a taxi and managing a travel agency are economic activities. They commonly involve remuneration, business revenue or another measurable economic return. Economic activities are usually classified as business, profession and employment. In a business, an entrepreneur assumes risk with the aim of earning profit. In a profession, a trained person provides specialised services for fees. In employment, an employee works under an employer in return for salary or wages.

Non-economic activities are performed primarily for love, affection, duty, religious belief, personal satisfaction, community welfare or recreation, without the main intention of earning income. Examples include helping an elderly neighbour without payment, cooking for one's family, donating blood voluntarily and teaching children in a free community class. Such activities have significant social value even when they do not enter market calculations.

The difference is better understood through the following points.

Main objective: Economic activities chiefly seek livelihood or financial return. Non-economic activities chiefly seek emotional, moral, social or personal fulfilment.

Reward: Economic activities generally bring wages, fees, rent, interest or profit. Non-economic activities may bring goodwill, satisfaction, learning or a sense of responsibility rather than monetary payment.

Measurement: The output of economic activities often has a market price and may contribute to national income. The value of unpaid family care or voluntary help is harder to measure in market terms, although it benefits society.