

BUSINESS STUDIES CLASS XII

Class 12 - Business Studies

Time Allowed: 3 hours

Maximum Marks: 80

General Instructions:

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- 1 This question paper contains 34 questions.
 2. Marks are indicated against each question.
 3. Answers should be brief and to the point.
 4. Answers to the questions carrying 3 marks may be from 50 to 75 words.
 5. Answers to the questions carrying 4 marks may be about 150 words
 6. Answers to the questions carrying 6 marks may be about 200 words.
 7. Attempt all parts of the questions together
1. The purchase, production and sales managers at Sharda Ltd., a firm manufacturing readymade garments are generally at a conflict, as they have their own objectives. Usually each thinks that only they are qualified to evaluate, judge and decide on any matter, according to their professional criteria. Name the concept, which will be required by the CEO Mr. Ravi, to reconcile the differences in approach, interest or opinion in the organisation. [1]

a) Cooperation	b) Coordination
c) Organising	d) Planning
 2. Which of the following is not a Principle of management given by Taylor? [1]

a) Harmony, not discord	b) Science, not rule of the Thumb
c) Cooperation, Not Individualism	d) Functional foremanship
 3. The violation of which principle of management results in the **disorderly flow of information**? [1]

a) Authority and Responsibility	b) Stability of employees
c) Scalar Chain	d) Unity of Command
 4. Aishini Agro (OPC) Private Limited, run by Mr. Naman, deals in manufacturing soft toys. As the Friendship Day approaches, Mr. Naman decided to double the production and halved the rest intervals of the employees. This strategy led to a decline in efficiency instead of the increase in production. Identify the technique of Scientific Management ignored by Mr. Naman. [1]

a) Functional foremanship	b) Method study
c) Fatigue study	d) Time study
 5. The current government initiated Make in India Programme which is good for the manufacturing sector. Out of the following, identify the component of Business Environment quoted in the above lines. [1]

a) Economic	b) Technological
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- c) Legal d) Political
6. Subsidy to cotton textile businesses is the _____. [1]
- a) Economic Environment b) Political Environment
- c) Social Environment d) Legal Environment

7. **It is that function of management which is considered as the base of all other functions.** Identify the function of management stated in the above lines. [1]
- a) Controlling b) Organising
- c) Staffing d) Planning

8. Match the following: [1]

(1) Strategy	(i) Standing plan
(2) Policies	(ii) Feature of Planning
(3) Planning is a mental exercise.	(iii) Neither single-use nor standing plan
(4) Planning creates rigidity.	(iv) Limitation of Planning

Choose the correct option

- a. (1) - (iii), (2) - (i), (3) - (ii), (4) - (iv)
- b. (1) - (ii), (2) - (i), (3) - (iii), (4) - (iv)
- c. (1) - (i), (2) - (iii), (3) - (ii), (4) - (iv)
- d. (1) - (iii), (2) - (i), (3) - (iv), (4) - (i)
9. One of the importance of organizing is: [1]
- i. Improves creativity
- ii. Optimum utilization of resources
- iii. Leads to innovation
- iv. Guarantee success
- a) iii and iv b) only i
- c) only ii d) iv and i

10. Which of the following statements is not applicable to the concept of **Accountability**? [1]
- a) It cannot be denied once authority has been delegated and responsibility has been accepted. b) It cannot be delegated.
- c) It implies being answerable for the final outcome. d) It flows downward.

11. **Read the following statements and choose the correct option** [1]

Statement 1 : Decentralisation is more significant than Delegation.

Statement 2 : Decentralisation is a one-time decision and a policy matter but delegation is a routine function.

- a) Both Statement 1 and Statement 2 are true b) Both Statement 1 and Statement 2 are false
- c) Statement 1 is true and Statement 2 is false d) Statement 1 is false and Statement 2 is true

them. He felt that students were not able to get the needed stationery at easy and hence wanted to provide the stationery directly to students in the school. He lists out the various ways of setting up this business and finally selected the best way to set up this business is by developing an app. Suggest what should be the next step of him:

- i. Developing premises
- ii. Identifying the alternative course of action
- iii. Implementation of plan
- iv. Follow up action

- | | |
|-------------|-------------|
| a) iv and i | b) only iii |
| c) i and ii | d) only ii |

20. Management by exception: [1]

- | | |
|--------------------------|------------------|
| a) all deviations | b) none of these |
| c) significant deviation | d) controlling |

21. Management is systematized body of knowledge that explains general truths". Explain. [3]

OR

"Principles of management achieve results economically." Explain.

22. State any three limitations of 'divisional structure' of an organisation. [3]

OR

It helps a manager to extend his area of operations as without it, his activities would be restricted to only what he himself can do.

Identify the activity referred to, in the above statement and state its elements.

23. Race Tech Ltd. is one of the top IT companies in India. The company does mass recruitment each year from [3]

different colleges offering fresher level job to the final year students. This helps in recruiting the brightest and the best available talent in the educational institutions.

In context of the above case:

- a. Identify the source of external recruitment adopted by the company.
- b. Explain briefly any two advantages of using the external sources of recruitment

24. 'Motivation can be positive or negative'. Comment with examples. [3]

25. Renuka and Pawan are typists in a company having same educational qualifications. Renuka is getting ₹3,000 [4]

per month and Pawan ₹4,000 per month as salary for the same working hours. Which principle of management is violated in this case? Name and explain the principle.

OR

Explain how principles of management help the managers :

- i. In taking scientific decisions; and
- ii. in providing the managers with useful insights into real-world situations.

26. Identify the type of plan, which is usually set by the top management and specifies the end points towards which [4]

all business activities are directed. Comment.

27. How overburdened manager take help from his subordinates? Explain the three important things which he [4]

should keep in mind while taking such help.

OR

“Delegation of authority is based on the elementary principle of division of work.” Explain this statement.

28. The workers of ‘Vyam Ltd.’ are unable to work on new and hi-tech machines imported by the company to fulfil the increased demand. Therefore, the workers are seeking extra guidance from the supervisor. The supervisor is overburdened with the frequent calls of workers. [4]

Suggest how the supervisor, by increasing the skills and knowledge of workers, can make them handle their work independently. Also state any three benefits that the workers will derive by the decision of the supervisor.

29. After pursuing a course in gemology from Australia, Raj started a workshop in Surat to supplement his father's jewellery business in Delhi. He is used to speaking in English but the local skilled workers understand only Hindi and Gujarati. Hence, he started facing problems in the work due to miscommunications between him and the workers. As a result, he is not able to get the jewellery designs made in the desired manner and getting them redesigned turns out to be very expensive. [4]

In context of the above case:

- Define the term 'communication'.
- Identify the type of communication barrier being referred to in the above paragraph.
- Suggest any four measures by which he can improve his communication effectiveness.

30. Vishesh works as an interior designer. He gets a contract to redesign a play school. He employs three painters on the site assuming that an average painter will be able to paint 10 desks in a day. At the end of the first day of their work, Vishesh finds that the painter A, painter B, and painter C have painted 12, 14 and 15 desks respectively. On comparing the actual performance with the planned performance, he realises that the standard set by him is too low. Consequently, he decides to review and revise the standard and raise it. [4]

In the context of the above case:

- Identify the function of management being performed by Vishesh.
- "Planning and controlling are both backwards-looking as well as forward-looking functions." Explain the statement with reference to the above paragraph.

31. On 8th November, 2016 the Government of India announced the demonetisation making all Rs.500 and Rs. 1,000 banknotes of the Mahatma Gandhi Series invalid past midnight. The government claimed that the action would curtail the use of illicit and counterfeit cash to fund illegal activity and terrorism. The BSE SENSEX and NIFTY 50 stock indices fell over 6% on the day after the announcement. The decision was heavily criticised by members of the opposition parties, leading to debates in both houses of parliament and triggering organised protests against the government in several places across India. People seeking to exchange their bank notes had to stand in lengthy queues, and several deaths were linked to the inconveniences caused due to the rush to exchange cash. After demonetisation the demand for point of sales (POS) or card swipe machines has increased. E-payment options like Paytm has also seen a rise. In context of the above case: [6]

Identify & explain the various dimensions of business environment which relate to the above mentioned case.

32. A manager is of the view that he is not responsible for the quality of work that he has delegated to his subordinates. [6]

Do you agree with this view point? Justify your answer by giving proper arguments.

OR

Responsibility and authority should go hand-in-hand. Explain it with the help of an example.

33. Prateek has started an advertising agency in Gurgaon. One of the pages on his company's website contains the following information, "Welcome to all the visitors of this page who are looking for an opportunity to make a [6]

career in the field of advertising. The openings are available in the company at various levels, so don't miss the chance." This page includes a link to provide further details about the vacancies available in terms of the desired qualifications, experience, personality characteristics and so on. Through a continuous assessment of the number and types of human resources necessary for the performance of various jobs and accomplishment of organizational objectives and in relation to the number and type available, he gets the information on this page updated.

In the context of the above case:

- a. Identify and explain the steps in the staffing process being carried out by Prateek by quoting lines from the paragraph.
- b. Name the concept that relates to the details about the vacancies available in terms of the desired qualifications, experience, personality characteristics and so on.

OR

Moga Industries Ltd. approached a well-established university in the city of Madurai to recruit qualified personnel for various technical and professional jobs. They selected Tanya, Ritu, Garima, and Chetan for various vacancies in the organization. After the selection and placement, 'Moga Industries Ltd.' felt the need to increase the skills and abilities, and the development of a positive attitude of the employees to perform their specific jobs better. The company also realized that learning new skills would improve the job performance of the employees. Hence, the company decided to take action for the same.

- i. Name the step of the staffing process regarding which the company decided to take action.
- ii. State the benefits of the action to Moga Industries Ltd.

34. Two friends, Nancy and Poonam, are working as managers in the different departments of **Libra Limited**. They often talk about the performance level in their respective departments. Both of them are not satisfied with their subordinates. They tried to ascertain when the employees got their full salaries, what problem they had in working honestly. After investigating for some days, they arrived at the conclusion that there was a lack of motivation in their company. Both held a meeting together in order to find out the solution to the problem. Nancy suggested the participation of the employees in the Company's Profits, which she thought would create in the employees the feeling of belongingness to the company. Such a feeling, she was of the view, would have a direct influence on their performance level. Poonam, on the basis of her experience, said that if the feeling of Job Security was aroused in the employees, there could be an improvement in their performance level. Both of them contacted their Chief Executive Officer-CEO with their suggestions. All the three of them deliberated over this issue. The CEO listened to them very attentively. He said, Both of you are right, but I too have a suggestion. If the employees are made participants in taking decisions, they will feel good and their performance level will improve. Ultimately, the company implemented the suggestions of all the three of them. [6]

In the above paragraph, three different persons have spoken about the three methods of motivation. Identify these methods and explain.