



THE VILLAGE  
INTERNATIONAL SCHOOL  
"We Nurture Dreams"

TERM 1 EXAMINATION 2023 - 24

CLASS XII

BUSINESS STUDIES (54)

TIME: 3 HOURS

MAXIMUM MARKS – 80

DATE: 14.09.2023

	<p>General instructions:</p> <ol style="list-style-type: none"><li>1 This question paper contains 34 questions.</li><li>2. Marks are indicated against each question.</li><li>3. Answers should be brief and to the point.</li><li>4. Answers to the questions carrying 3 marks may be from 50 to 75 words.</li><li>5. Answers to the questions carrying 4 marks may be about 150 words.</li><li>6. Answers to the questions carrying 6 marks may be about 200 words.</li><li>7. Attempt all parts of the questions together.</li></ol>	
1	<p>Rishabh joined an entertainment company Avtaar, as a creative head. As a manager looking after the creative unit of the company, one of the functions he has to perform is the process of organizing. Which step of the process will he need to perform after identifying and dividing the work that has to be done in accordance with previously determined plans?</p> <ol style="list-style-type: none"><li>a. Identification and division of work</li><li>b. Departmentalisation</li><li>c. Assignment of Duties</li><li>d. Establishing Reporting Relationships</li></ol>	1
2	<p>Which characteristic of the business environment is highlighted when changes are taking place too frequently and it becomes difficult to predict the future?</p> <ol style="list-style-type: none"><li>a). Uncertainty</li><li>b). Complexity</li><li>c). Inter-relatedness</li><li>d). Relativity</li></ol>	1
3	<p>Aarohan Ltd. is a company manufacturing automobile where division of work into key areas includes production, purchase, marketing, accounts and personnel. Which of the following is a disadvantage of the organization structure of Aarohan Ltd.?</p> <ol style="list-style-type: none"><li>a). It may lead to increase in cost</li><li>b). Managers may gain power and assert independence and ignore organization interests.</li><li>c). It ensures that different functions get due attention.</li><li>d). Heads do not get training for top management positions</li></ol>	1
4	<p>"What distinguishes a successful manager from a less successful one is the ability to put the principles into</p>	1

	<p>practice.” Which aspect of the nature of management is highlighted in the above statement?</p> <p>a) Management as a science      b) Management as an art  c) Management as a profession      d) Management is an intangible force.</p>	
5	<p>Identify the reason which makes management important in the light of the fact that it is generally seen that individuals in an organization resist change, as a change often means moving from a familiar, secure environment into a newer and a more challenging one.</p> <p>a. Management helps in achieving group goals.  b. Management creates a dynamic organization  c. Management increases efficiency  d. Management helps in the development of society.</p>	1
6	<p>The government of India made an announcement regarding Demonetization of the Indian economy on November 8, 2016 with profound implications for it. The process which put restrictions on convertibility of domestic money and bank deposits was meant to create a less-cash economy. One argument against the cash-lite economy is that:</p> <p>a. Internet connectivity is a prerequisite  b. More people will be introduced into the formal economy.  c. Financial saving will increase  d. Tax evasion will be reduced</p>	1
7	<p>Airlines will be able to offer the benefit of lower pricing to customers on sectors/routes due to the decision of the civil aviation ministry to remove price caps from August 31, 2022. This can help an airline to do better performance if they take early decisions regarding future courses of action after understanding and doing analysis. Which importance of business environment and its understanding by managers is not highlighted above:</p> <p>a. It helps in improving performance  b. It helps in assisting in planning and policy formulation  c. It helps in tapping useful resources  d. It enables a firm to identify opportunities and get first mover advantage</p>	1
8	<p>Allo a mobility platform is in the process of laying off 400-500 employees in a move aimed at driving cost efficiency. Which objective of management will the firm not be able to achieve by carrying out this process.</p> <p>a. Efficiency                      b. Social  c. Profit                              d. Survival</p>	1

9	_____ provides a rational approach for setting objectives and developing appropriate courses of action for achieving predetermined objectives. a. Directing      b. Staffing c. Planning      d. Organising	1
10	Which level of management is responsible for the welfare and survival of the organisation? a. Top level of management b. Middle level of management c. Supervisory level d. Both (b) and (c)	1
11	Name the outcome of the function of management which includes designing of roles to be filled by suitably skilled people and defining the inter relationship between roles so that ambiguity in performance of duties can be eliminated. a. Organization structure      b. Delegation of authority c. Decentralization      d. controlling	1
12	With the presence of women in the workforce, there has been a shift towards formal wear, increased demand of electronic gadgets and increase in demand of cosmetics. The related dimension of business environment referred in the above lines is: a. Technological environment.      b. Social environment c. Political environment.      d. Economic environment	1
13	Name the principle of management given by Fayol which when applied would mean that the workers and management both honour their commitments without any prejudice towards one another. a. Discipline      b. Mental Revolution c. Remuneration of employees      d. Scalar chain	1
14	Identify the dimension of the characteristic of management- "it is multidimensional", which specifies that the task of management is to make the strengths of human resources effective and their weaknesses irrelevant towards achieving the organisation's objectives. a. Management of work b. Management of people c. Management of operations d. Management of goals	1
15	Which type of organisational structure will you suggest for a firm which has diversified activities and operations requiring a high degree of specialisation? a. Centralised structure      b. Decentralised Structure c. Divisional structure      d. Functional structure	1

16	<p>“Changes or events cannot be eliminated but they can be anticipated and managerial responses to them can be developed.” is suggested by the following importance of planning:</p> <ul style="list-style-type: none"> <li>a. Planning facilitates decision making</li> <li>b. Planning promotes innovative ideas</li> <li>c. Planning provides direction</li> <li>d. Planning reduces the risks of uncertainty</li> </ul>	1
17	<p>Concentration of decision making functions at the apex of management hierarchy is called _____</p> <ul style="list-style-type: none"> <li>a. Decentralisation.</li> <li>b. Delegation</li> <li>c. Organisational structure.</li> <li>d. Centralisation</li> </ul>	1
18	<p>“Grouping similar nature jobs into larger units called departments” is the step in the process of one of the functions of management. Identify the function of management.</p> <ul style="list-style-type: none"> <li>a. Planning</li> <li>b. Organising</li> <li>c. Directing</li> <li>d. Staffing</li> </ul>	1
19	<p>“The nature of the relationship of our country with foreign countries”, is a major element of which of the following components of the Business Environment?</p> <ul style="list-style-type: none"> <li>a. Social Environment</li> <li>b. Legal Environment</li> <li>c. Political Environment</li> <li>d. Economic Environment</li> </ul>	
20	<p>The principle of management given by Fayol which aims at preventing overlapping of activities is:</p> <ul style="list-style-type: none"> <li>a. Division of work</li> <li>b. Unity of Command</li> <li>c. Unity of Direction</li> <li>d. Order</li> </ul>	1
21	<p>Top management plans for the entire organization. According to these plans the organizational structure is developed and staffed. In order to ensure that these plans are executed according to plans, directing is required. Any discrepancies between actual and realized activities are then taken care of at the stage of controlling. Name and explain the process highlighted above which started at the planning stage itself and is implicit and inherent in all the functions of management in an organization</p> <p style="text-align: center;">OR</p> <p>Explain any three limitations of planning function</p>	3

22	Mrs. Ahilya Pasi is the principal of a prestigious school in New Delhi. The school has a vacancy of a headmistress/headmaster of the junior wing of the school. The senior teachers of the school have the opinion that only internal candidates should be considered for this post. However, Mrs. Pasi and the management would like to invite applications from external sources too. Briefly explain any three justifications the management can provide to convince the staff for inviting applications of external candidates for the vacant post.	3
23	"Delegation of authority, undoubtedly empowers an employee to act for his superior, but the superior would still be accountable for the outcome. Explain the elements of delegation of authority discussed above.	3
24	<p>In your school, you observe that books are kept in office, chalks in the library and office records in the staff room.</p> <p>Which principle of management is violated here and why? How will that affect the achievement of school objectives? As a manager, what steps will you take to rectify the shortcomings?</p>	3
25	<p>Davinder is a class twelfth commerce student in a reputed school in Punjab. Satinder is his elder brother who is doing his Masters in Hospital administration from Delhi after completing his B. Sc course. During vacations when Satinder comes home, Davinder shows him the business studies project that he is preparing on the topic 'Principles of Management'. Satinder tells him that these principles are also a part of MBA course curriculum at the beginner's level as they form the core of management in practice. But he finds these principle different from those of pure science.</p> <p>In context of the above case:</p> <p>Outline the concept of principles of management. Why does Satinder find the principle of management different from those of pure science? Why do the principles of management form the core of management in practice?</p> <p>Explain by giving any two points highlighting the importance of principles of management.</p>	4

26	<p>XYZ Power Ltd. set up a factory for manufacturing solar lanterns in a remote village as there was no reliable supply of electricity in rural areas. The revenue earned by the company was sufficient to cover the costs and the risks. The demand of lanterns was increasing day by day, so the company decided to increase production to generate higher sales. For this they decided to employ people from the nearby villages as very few job opportunities were available in that area. The company also decided to open schools and crèches for the children of its employees.</p> <p>Identify and explain the objectives of management discussed above.</p> <p style="text-align: center;">OR</p> <p>Explain any four dimensions of business environment in detail</p>	4
27	<p>Name the methods of recruitment in the following cases:</p> <ol style="list-style-type: none"> <li>1. A company gets applications on and off even without declaring any vacancy. However, as and when the vacancy arises, the company makes use of such applications.</li> <li>2. Casual vacancies of unskilled or semi-skilled jobs when there is a rush of order or when some permanent workers are absent.</li> <li>3. Recruitment by which most of the senior positions of the industry as well as commerce are filled.</li> <li>4. the method of recruitment opted for procuring fresh talent into the organisation</li> </ol>	4

28	<p>Ishita works as a corporate event coordinator in an event management company. She has been made an overall official in charge for organizing a painting exhibition for one of the clients of the company. For ensuring that the exhibition takes place successfully, she identifies the various activities involved and divides the whole work into various task groups like marketing committee, decoration committee and reception committee. In order to facilitate coordination within and among committees, she appoints a supervisor of each group. Each member in the group is asked to report to their respective supervisor of each group. Each member in the group is asked to report to their respective supervisors and all the supervisors are expected to work as per Ishita's orders.</p> <p>In context of the above case:</p> <p>Identify the function of management being performed by Ishita.</p> <p>Describe briefly the various steps involved in the performance of the function of management as identified in part (a) of the question</p> <p style="text-align: center;">OR</p> <p>Name the function of management that focuses on division of work inside an organisation. Explain in detail its significance</p>	4
29	<p>Suhasini a home science graduate from a reputed college has recently done a cookery course. She wished to start her own venture with a goal to provide 'health food' at reasonable price. She discussed her idea with her teacher ( mentor) who encouraged her. After analyzing various options for starting her business venture, they shortlisted the option to sell readymade and 'ready to make' vegetable shakes and sattu milk shakes. Then they both weighed the pros and cons of both the shortlisted options.</p> <p>Name the function of management being discussed above and give any one of its characteristics.</p> <p>Also briefly discuss any three limitations the function discussed in the case.</p>	4

30	<p>Nikita and Salman completed the MBA and started working in a multinational company at the same level. Both are working hard and are happy with their employer. Salman had the habit of backbiting and wrong reporting about his colleagues to impress his boss. All the employees in the organization knew about it. At the time of performance appraisal the performance of Nikita was judged better than Salman. Even then their boss, Mohammed Sharif decided to promote Salman stating that being a female Nikita will not be able to handle the complications of a higher post.</p> <p>Identify and explain the principle of management which was not followed by this multinational company. Identify the values which are being ignored quoting the liens the above para.</p>	4
31	<p>Briefly explain any three of the following techniques of Scientific Management as given by F.W. Taylor:</p> <ol style="list-style-type: none"> <li>Method study</li> <li>Functional foremanship</li> <li>Standardization</li> <li>Differential piece wage system</li> </ol> <p style="text-align: center;">OR</p> <p>Briefly explain any three of the following principles of management given by Henry Fayol:</p> <ol style="list-style-type: none"> <li>Unity of command</li> <li>Equity</li> <li>Remuneration</li> <li>Initiative</li> </ol>	6
32	<p>'The pros and cons of each alternative need to be weighed.' Name and briefly explain the logical steps in the process of planning which are followed by a manager before performing the step highlighted in the above statement.</p> <p style="text-align: center;">OR</p> <p>Briefly explain the next three steps in the process of planning which the manager will have to have to follow after using conjecture about what might happen in the future</p>	6
33	<p>Esha works as the cost and risk management head of a company in power sector. As a result of her excellent managerial competence, the company is able to reduce costs and increase productivity. The company belongs to infrastructure sector, where is regular amendments are made in the government regulations and policies. She holds regular meetings to ensure that people in her department are not only aware of the related changes but are also able to adapt to these changes effectively. This helps the company to maintain</p>	6



	<p>its competitive edge. She motivates and leads her team in such a manner that individual members are able to achieve personal goals while contributing to the overall organizational objective. In the process of fulfilling her duties for the growth of the organization, she helps in providing competitive services, adopting new technology, creating more employment opportunities etc. for the greater good of the people at large. In context of the above case: Identify the various reasons that have made management so important by quoting lines from the paragraph.</p>	
34	<p>Diligent developers, a website design company in Bangalore is a startup initiative of Mr. Maniraj which aims at achieving a profit margin of 10% in its first year. Mr. Maniraj appointed Mr. Advait as the Digital marketing Head, Mr. Kiyansh as the head of Backend department and Mr. Nirved headed the Graphics Designing Department. Since each head was specialised in specific skills, it resulted in increased efficiency and better coordination. However, problems arose when Mr. Advait started considering group objectives superior to organisational objectives and stopped exchanging information with Mr. Kiyansh and Mr. Nirved. The company had to bear the brunt of lack of coordination and was unable to achieve its objectives.</p> <p>a) Identify and state the organisational structure adopted by the company. b) State two benefits and two limitations of the identified structure highlighted in the above case.</p>	6
	THE END	