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SET NO. 2



## INDIAN SCHOOL MUSCAT FIRST TERM EXAMINATION BUSINESS STUDIES

CLASS: XII

Sub. Code: 054

Time Allotted: 3 Hrs

15.05.2018

Max. Marks: 80

### General Instructions:

1. All questions are compulsory.
2. Marks are indicated against each question.
3. Answers to questions carrying 1 mark may be one word to one sentence.
4. Answers to questions carrying 3 marks may be from 50 to 75 words.
5. Answers to questions carrying 4-5 marks may be 150 words.
6. Answers to questions carrying 6 marks may be in 200 words.

- 1 Vaibhav Garments Ltd.'s target is to produce 10,000 shirts per month at a cost of Rs.150 per shirt. The production manager could achieve this target at the cost of Rs.160 per shirt. Do you think the production manager is effective? Give reasons for your answer. 1
- 2 Define 'Management'. 1
- 3 Hina and Harish are typists in a company having the same educational qualifications. Hina gets Rs.3,000 per month and Harish gets Rs.4,000 per month as salaries for the same working hours. Which principle of management is being violated in this case? Name and explain the principle. 1
- 4 What is meant by 'mental revolution' according to Taylor? 1
- 5 Define 'Demonetisation'? 1
- 6 The Government of India is seriously thinking of allowing the oil-marketing public sector undertaking to fix their own prices for petrol and diesel. Which economic reform is the reason for this change in the government's policy? 1
- 7 Which is the most crucial step in planning process? 1
- 8 State any two characteristics of an ideal plan. 1
- 9 Dharam is a well known businessman in the field of publishing. He owes the success of his business to his own education in business management and his team of certified management consultants. Therefore, he decides to send both his children Dhanush and Damini abroad to acquire a degree in business management in their individual area of expertise. He feels that all over the world there is marked growth in management as a discipline, but still it is not considered to be a full-fledged profession for certain reasons. In context of the above case : 3

- (a) Explain the reasons because of which Dharam considers management as a discipline.  
 (b) Critically examine the various reasons because of which management is not considered to be a full-fledged profession.
- 10 Sridhar's father is working as a section in-charge in a government office. Identify the level of Management at which he is working. State any two functions that he has to perform at this level. 3
- 11 Hridaan is desirous of setting up a small factory to manufacture different kinds of eco-friendly packaging materials. He proposes to adopt a logical approach to his business rather than hit and trial method as he knows that this can result in tremendous saving of human energy as well as wastage of time and materials. He plans to adopt paternalistic style of management in practice in order to avoid any kind of class conflict that may emerge between him and the workers. Moreover, he plans to seek the opinion of his workers before taking any important decisions and also offers incentives to them for providing valuable suggestions for the business. Identify and explain the various principle of scientific management that Hridaan plans to apply to his business. 3
- 12 As a part of economic reforms, the government of India announced a New Industrial Policy in July, 1991 which sought to liberate the industries from the shackles of the licensing system, drastically reduce the role of the public sector and encourage foreign- private participation in industrial development. List the basis on which the Liberalisation of Indian industries has taken place. 3
- 13 After completing a diploma in Bakery and Patisserie, Payal sets up a small outlet at Goa Airport to provide a healthy food option to the travellers. To begin with, she has decided to sell five types of patties, three types of pizzas and low sugar muffins in four flavours. Thus, by deciding in advance what to do and how to do, she is able to reduce the risk of uncertainty and avoid overlapping and wasteful activities. But sometimes her planning does not work due to some unavoidable circumstances like cancellation of flights due to bad weather conditions, government alerts etc. which adversely affects her clientele.  
 (a) Identify and explain the points highlighting the importance of planning mentioned in the above paragraph.  
 (b) Describe briefly the limitation of planning which adversely affects Payal's business. 3
- 14 Rema Industries is manufacturing room heaters. She applies her knowledge of management in running her factory. Rema, the Managing Director, always explains to all her employees that although achieving the goals in time are important but more important is that they should be achieved at minimum cost and wastage, She also keeps her employees motivated by telling them that the organisational goals can be achieved only by the combined efforts of all.  
 (a) Which concept of Management is being referred by Rema.  
 (b) State any two features of Management which can be inferred from the above case.  
 (c) State any two values implied in Rema's way of doing business. 4
- 15 "Mr. Ajay, Production Manager, and Mr. Raman, Human Resource Manager, were discussing the plans related to fresh recruitment of employees in the organization. Mr. Ajay wanted that Mr. Raman should scientifically select the person and the work assigned to him should suit his/ her intellectual capabilities. Mr. Raman wanted that the work should be divided into specialized tasks and then assigned to the worker according to his capability which will lead to increased efficiency in the production process."  
 The given statement proves that the principle of Fayol and Taylor are complementary. Identify and explain the principles of management referred to above. 4

- 16 Discuss the following techniques of 'Scientific Management'. 4
- (a) Time Study
  - (b) Motion Study
  - (c) Fatigue Study
  - (d) Method Study
- 17 Eco-friendly products are gaining power as the consumers' awareness about environmental issues has increased over the years and they are conscious about choosing products that do not have adverse effects on the environment. They are now more conscious about the carbon emissions and climate change effects, and want themselves to be 'seen' as a green advocate among peers. In such a scenario, it has become a challenge for the companies as they have to not only meet the needs of the consumers but also ensure that their products are safe and environment friendly. As a result, there is growing need for better and advanced technologies to work as catalyst in this regard. 4
- (a) Identify the relevant feature of business environment being discussed above.
  - (b) Describe briefly any three points which highlight the importance of business environment and its understanding by managers.
- 18 Arush joins as a sales manager of a company dealing in naturopathy products. Being proficient in his work, he knew that without good planning he will not be able to organize, direct control or perform any of the other managerial functions efficiently and effectively. Only on the basis of sales forecasting, he would assist in the preparation of the annual plans for its production and sales. Besides, he will have to prepare sales plans regularly on weekly, monthly, quarterly and half yearly basis. While preparing the sales forecasts, he undertakes intellectual thinking involving foresight, visualization and issued judgement rather than wishful thinking or guess work. Most importantly, all these planning activities will be meaningful only if they will coincide with the purpose for which business is being carried out. 4
- In context of the above case, identify and explain any four features of planning highlighted in the above paragraph.
- 19 The CEO of XYZ Ltd., Mr. Rajaram, after consultations with his department heads, declared the sales target of one million units of the product. The financial department was asked to prepare a detailed plan with expected cash flow to ensure the achievement of the target. The sales and production department were asked to coordinate the development of routine steps to be followed to achieve the given target. The team leaders in the sales team and supervisors in production team briefed their team members on the manner in which the activities had to be performed to have a good qualitative and quantitative control. Due to the coordinated efforts of all the members the target was easily achieved by the company. 4
- Quoting lines from the above, explain the various types of plans.
- 20 "In the absence of management, all the resources of an organization remain only as resources and never become production." In the light of the above statement explain the importance of management. 5
- 21 Rajveer works as a plant superintendent in a carpet making factory. In order to complete the export orders in time, the production manager asks him to make the workers work over time whereas the finance manager is strictly against this practice because it will increase the cost of production. Moreover, Rajveer feels that since the company is manufacturing handmade carpets as well as machine made carpets there is a lot of overlapping of activities. Therefore, there should be two separate divisions for both of them wherein each division should have its own in-charge, plans and execution resources. 5

- (a) Explain the principle of management which is being violated.  
 (b) Also explain the principle of management that Rajveer feels, should be implemented in the factory.  
 (c) Give any two differences between the principle of management as identified in part (a) and part (b) respectively.
- 22 Discuss the challenges faced by the Indian corporate sector in wake of the government policy changes. 5
- 23 Jayant is working as Head Relationship Manager in the wealth management division of a private sector bank. He has created an internal environment which is conducive to an effective and efficient performance of his team of ten relationship management executives. A typical day in Jayant's life consists of a series of interrelated and continuous functions. He decides the targets for his department which are in line with the objectives of the organization as a whole. The future course of action for his team members is laid out well in advance. The various resources required by the relationship managers like an iPad with GPS system, account opening forms, brochures, details of account holders etc. are made readily available to them. The executives are given sufficient authority to carry out the work assigned to them. 6
- Jayant works in close coordination in order to ensure that he is able to create and maintain a satisfactory and satisfied workforce in his department. Through constant guidance and motivation. Jayant inspires them to realize their full potential. He offers them various types of incentives from time to time keeping in view their diverse individual needs. Moreover, he keeps a close watch on their individual performances in order to ensure that they are in accordance with the standards set and takes corrective actions whenever needed.
- (a) Name the concept being referred to in the following line, "He has created an internal environment which is conducive to an effective and efficient performance of his team of ten relationship management executives."  
 (b) Identify and describe the various functions of the concept as identified in part (a) of the question by quoting lines from the paragraph.
- 24 In May 2016, the government had launched a web-based application which will provide an opportunity to all the industries dealing in hazardous waste to apply online and get online permissions for import and export of certain categories of wastes, which is for reuse, recycling or recovery while it will also help authorities in web-based processing, generation and grant of various types of permissions to the entrepreneurs and industries. It is also aimed at implementing the concept of paperless and green office and provide information regarding number authorizations or consent orders granted by the State Pollution Control Boards (SPCBs) 6
- (a) Define 'Business Environment'.  
 (b) What are the various dimensions of business environment being referred in the above case? Explain.
- 25 Planning is deciding in advance the future course of action. Explain briefly what all needs to be done to make effective and efficient plans. 6

**End of the Question Paper**