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## INDIAN SCHOOL MUSCAT HALF YEARLY EXAMINATION

### BUSINESS STUDIES

CLASS: XII

Sub. Code: 054

Time Allotted: 3 hours

26.09.2019

Max. Marks: 80

#### General Instructions:

- (i) Answer to questions carrying 1 mark may be from one word to one sentence.
- (ii) Answers to questions carrying 3 marks may be from 50-75 words.
- (iii) Answers to questions carrying 4-5 marks may be about 150 words.
- (iv) Answers to questions carrying 6 marks may be about 200 words.
- (v) Answer all questions. There are 6 printed pages.

1. Effectiveness in management refers to:
  - a) Completing a job on time at minimum cost
  - b) Completing job at minimum cost only 1
  - c) Reducing the cost by producing maximum
  - d) Completing the job on time whatever be the cost
2. One believed that management should not close its ears to constructive suggestions given by the employees. Identify the principle of Taylor referred here. 1
3. ----- is required in all levels of management. ( Rule / co ordination) 1
4. Which among the following is / are correct match?
 

a) Restricted Entry	-	Profession
b) Personal application	-	Management as an art
c) Management	-	Full-fledged profession
d) Science	-	Systematic body of knowledge

  - a) Only 1 is correct
  - b) 1, 2 and 3 are correct
  - c) All are correct
  - d) 1, 2 and 4 are correct1
5. Management can be called as a group activity. ( True / false ) Give reason. 1

6. The adverse effect of violating the principle of division of labor is:
- Increase in the labor turn over
  - Reduce the team spirit 1
  - Benefits of specialization will not be available
  - Create disorder
7. Choose the statement which is not true about the feature of demonetization in India.
- It is the responsibility of RBI as monetary authority.
  - It allows the withdrawal of the status of legal tender to the currency worth of 1000 rupee in circulation 1
  - It is a part of budgetary policy of government so it happens every year
  - Its objective is to promote digitalization in India.
8. The limit and nature of Government interference in business is a part of ----- environment. 1  
( political/ economic)
9. The necessary resources are needed to run the business obtained from business environment. 1  
( True / False) Give reason.
10. Define Liberalization. 1
11. Assertion: I) Standard set in the organization should be measurable. 1  
Reason : II ) Changes can be introduced to according to the changing situations.
- One is correct but 2 is not a reason for the 1.
  - Both one and two correct
  - One is not correct and the 2 is always correct
  - Both 1 and 2 is wrong
12. What is meant by standing plan?
13. Which of the following is not an internal element of limitation of planning?
- Capital
  - Raw material
  - Managers
  - Increase in population
14. Planning is a ----- to face emergency ( curse / blessing ) 1
15. Name the training which is given to the employee at the time of joining to the organization. 1
16. A tall organizational structure has a 1
- Narrow span of management
  - Wide span of management
  - No span of management
  - Less levels of management

17. ----- sorts out the internal differences and maintain harmony among workers. 1  
( managers / supervisors )
18. Which of the following is not a correct match? 1
- |                                         |                          |
|-----------------------------------------|--------------------------|
| a) Incentive offered the above wage     | - Bonus                  |
| b) Providing a share of profit          | - Co partnership         |
| c) Individual autonomy to the employee  | - organizational climate |
| d) Providing car and housing allowances | - Perquisites            |
19. Give the meaning of decoding in communication. 1
20. ABC Ltd. Is not able to achieve its objective on analyzing, they found that employees were 1  
not given their best, so he decided to announce an incentive plan, which offers various  
incentives to employee workers at different level for achieving their target.  
Which element of directing is used by manager?
21. 'Principles of management are general guidelines'. Explain 3
- OR**
- 'Principles of management are contingent'. Explain.
22. Rishitosh Mukerjee has recently joined AMV Ltd, a company manufacturing refrigerators. He 3  
found that his department was under-staffed and other departments were not cooperating with  
his department for smooth functioning of the organisation. Therefore, he ensured that his  
department has the required number of employees and its cooperation with other departments  
is improved.
1. Identify the level at which Rishitosh Mukerjee was working.
  2. Also, state two more functions required to be performed by Rishitosh Mukerjee at  
this level.
23. How does the size of the organization bring need for the coordination in all activities? 3
24. Distinguish Procedure and method as a type of plan. 3
25. Himesh is working as a supervisor in a company. Due to his hard work he is promoted to the 3  
post of Production Manager. Now the post of supervisor is vacant and no one can be  
transferred or promoted to this post.
- Q) Name the source of recruitment the company will use to fill up this post. State any two  
advantages of using this source of recruitment.
26. Suhasini, a home science graduate from a reputed college, has recently done a cookery course. 4  
She wished to start her own venture with a goal to provide 'health food' at reasonable prices.  
She discussed her idea with her teacher (mentor) who encouraged her. After analysing various

options for starting her business venture, they short listed the option to sell readymade and 'ready to make' vegetable shakes and sattu milk shakes. Then, they weighed the pros and cons of both the short listed options.

- a) Name the function of management being discussed above and give any one of its characteristics.
- b) Also briefly discuss any three limitations of the function discussed in the case.

**OR**

Laxmi Chemicals Ltd., a soap manufacturing company, wanted to increase its market share from 30% to 55% in the long-run. A recent report submitted by the Research & Development Department of the company had predicted a growing trend of herbal and organic products. On the basis of this report, the company decided to diversify into new variety of soaps with natural ingredients having benefits and fragrances of Jasmine, Rose, Lavender, Mogra, Lemon Grass, Green Apple, Strawberry etc. The Unique Selling Proposition (USP) was to promote eco-friendly living in the contemporary life style. The company decided to allocate t 30 crores to achieve the objective.

- a) Identify the type of one of the functions of management mentioned above which will help the company to acquire dominant position in the market.
- b) Explain any two features of the function mentioned in the above text.

27. Explain the term Management by exception and Critical point control. 4
28. Konark Ltd is an electronic goods manufacturing enterprise situated in Shivpuri. It is earning low revenue compared to its competitor Noni Ltd. Both enterprises 'operations are affected directly by the investors, customers and suppliers, which are unique to their respective locations. In addition to this, the factors like money supply, technological changes etc. are indirectly affecting their performance. 4
- a) Identify the concept discussed in the above text and state one feature of it.
  - b) Also, state any three points of importance of this concept.

29. Discuss the features of divisional structure by giving an example. 5

**OR**

Why Decentralization is important to an organization. ( any five points )

30. Sanchit, after completing his entrepreneurship course from Sweden returned to India and started a coffee shop 'AromaCoffeeCan' in a famous mall in New Delhi. The specialty of the 5

coffee shop was the special aroma of coffee and a wide variety of flavours to choose from. Somehow, the business was neither profitable nor popular. Sanchit was keen to find out the reason. He appointed Sandhya, an MBA from a reputed college, as a Manager to find out the cause for the same. Sandhya took feedback from the clients and found out that though they loved the special unique aroma of coffee but were not happy with the long waiting time being taken to process the order. She analysed and found out that there were many unnecessary obstructions in between which could be eliminated. She fixed a standard time for processing the order. She also realised that there were some flavours whose demand was not enough. So, she also decided to stop the sale of such flavours. As a result within a short period Sandhya was able to attract the customers.

- a) Identify and explain any two techniques of scientific management used by Sandhya to solve the problem.

31. Explain Maslow's hierarchy of needs in terms of business environment.

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OR

What do you mean by communication? Explain Psychological barriers of communication.

32. Ramdas, aged 49 is working in an aviation company. He is the senior most employee in his division. He is even senior to the division manager, Kanaputti. Ramdas is considered one of the most committed, capable and hard-working employees. As a result of his abilities and seniority, he generally received the work assignments of his choice. Although there was no formal designation of various „special' projects assigned to Ramdas, he handled them as a matter of routine. A problem developed when an able and intelligent person Nagarjuna, aged 33, was appointed by Kanaputti. Nagarjun's previous three years' experience in the closely related work, made it possible for him to catch on to the routine work of his new job more rapidly than was customary for a new employee. On several occasions, Kanaputti noticed the tension developing between the two employees. However, he didn't want to get involved in their personal issues as long as the work was completed effectively and efficiently by them. One day, the tension between them reached the boiling point and Ramdas complained to Kanaputti stating that his duties were being largely taken over by Nagarjun. Kanaputti issued the order stating the clear allocation of the jobs and related duties between the two. He further clarified the working relationship between them by specifying who was to report to whom. This helped in reducing the workload, enhancing productivity and removing ambiguity.

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- a) Identify and state the step of organizing process which has not been carried out properly and contributed to this problem.
- b) State the two steps of the organizing process which have been taken by Kanaputti to

respond to the complaint of Ramdas.

- c) Also state and explain two points of importance of organizing as reflected in the above case.

33. Briefly explain the steps in the process of staffing.

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**OR**

Explain the importance of training development with reference to (a) Employee (Employer)

34. Umang Gupta is the Managing Director of Denver Ltd. The company had established a good name for itself and had been doing well. It was known for timely completion of orders. The Production Manager, Ms. Kanta was efficiently handling the processing of order and had a team of fourteen motivated employees working under her. Everything was going on well. Unfortunately she met with an accident. Umang knew that in the absence of Ms. Kanta, the company may not be able to meet the deadlines. He also knew that not meeting the deadlines may lead to customer dissatisfaction with the risk of loss of business and goodwill. So, he had a meeting with his employees in which accurate the speedy processing of orders was planned. Everybody agreed to work as team because the behaviour of Umang Gupta was positive towards the employees of the organisation. Hence everyone put in extra time and efforts and the targets were met on time. Not only this, Umang visited Ms. Kanta and advised her to take sufficient rest.

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1. Identify and explain the leadership style of Umang Gupta and draw a diagram depicting the style.
2. Explain any two financial incentives that can be given to employees by Umang Gupta.

**End of the Question Paper**