

<b>SET</b>	<b>A</b>
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**INDIAN SCHOOL MUSCAT  
HALF YEARLY EXAMINATION 2023  
BUSINESS STUDIES (054)**

CLASS:XII

Max.Marks: 80

MARKING SCHEME			
SET	QN.NO	VALUE POINTS	MARK S SPLIT UP
A	1	A. Management is goal oriented	1
A	2	B. Fayol's principles are applicable in specialized situation where as Taylor's principles have universal application	1
A	3	B. Social Environment	1
A	4	D. A-(iii), B-(ii), C-(i)	1
A	5	A. Strategy and objective	1
A	6	C. Making effective use of resources	1
A	7	B. Campus recruitment	1
A	8	C. Wheel	1
A	9	A. Perquisites	1
A	10	C. Decentralisation	1
A	11	B. Functional differentiation	1
A	12	D. Gang boss	1
A	13	A. Relativity	1
A	14	D. Identifying alternative courses of action	1

A	15	<b>B.</b> Both Assertion (A) and Reason (R) are True and Reason (R) is not the correct explanation of Assertion (A).	1
A	16	D. Sales expenses	1
A	17	A. Apprenticeship Programmes	1
A	18	C. leadership	1
A	19	D. Accountability	1
A	20	A. People behaviour is not based on their needs	1
A	21	<p>Efficiency and Effectiveness  Efficiency means doing the task correctly and with minimum cost.  Effectiveness is concerned with doing the right task, completing activities and achieving goals.</p> <p style="text-align: center;"><b>OR</b></p> <p>(i) <b>Restricted Entry:</b> There is no restriction on anyone being designated or appointed as Manager in any business enterprise. Anyone can be called a manager irrespective of educational qualifications possessed as compared to other professions like a doctor, a lawyer etc.</p> <p>(ii) <b>Professional Association:</b> There are several associations of practicing managers in India like AIMA (All India Management Association) but there is no compulsion for managers to be members of such associations nor does it have any statutory backing unlike other professions.</p> <p>(iii) <b>Ethical code of conduct:</b> All professionals are bound by a code of conduct which guides the behaviour of its members, which is not followed by manager though AIMA has laid down a code of conduct to regulate the activities of their members.</p> <p>(iv) <b>Service Motive:</b> The basic motive of a profession is to serve their clients interests by rendering dedicated and committed service whereas the basic purpose of management is to help the organization to achieve its stated goal which is profit maximisation.</p> <p><i>(If an examinee has only listed the points, ½ mark for each point should be awarded)</i></p>	<p>½ + ½</p> <p>1 + 1</p> <p>Any Three Points</p> <p>1+1+1</p>
A	22	<p><b>‘Science not Rule of Thumb’ : Only one best method to</b> maximise efficiency. This method can be <b>developed through study and analysis</b>. The method so developed should substitute Rule of Thumb’ throughout the organisation. Scientific method involved <b>investigation of traditional methods through work-study, unifying the best practices and developing a standard method, which would be followed throughout the organization</b></p> <p><b>Motion study refers</b> to the <b>study of movements like lifting, putting objects, sitting and changing positions</b>, etc., which are undertaken while doing a typical job. <b>Unnecessary movements are sought to be eliminated so that it takes less</b></p>	<p>1</p> <p>+</p> <p>1</p> <p>+</p> <p>1</p>

		<p><b><u>time to complete the job efficiently.</u></b></p> <p>Time Study: It determines the <b><u>standard time taken to perform a well-defined job.</u></b> Time measuring devices are used for each element of task.</p> <p>Objective of time study is to <b><u>determine the number of workers to be employed; frame suitable incentive schemes and determine labour costs.</u></b></p>	
A	23	<p>A. Political and Legal</p> <p>B (i) Measure of tax administration – black money had to declare their unaccounted wealth and pay taxes at a penalty rate.</p> <p>(ii) Measure to avoid tax evasion – indicating the govt will not tolerate tax evasion</p> <p>(iii) Measure of channelizing savings into the financial system – by depositing money in banks</p> <p>(iv) create cash less or cash lite economy – for financial savings and reducing tax evasion</p> <p>(Any two)</p>	<p><math>\frac{1}{2} + \frac{1}{2}</math></p> <p>1 for each</p>
A	24	<p><b><u>Management by Exception:</u> significant deviations which go beyond the permissible limit should be brought to the notice of management. Thus, if the plans lay down 2 per cent increase in labour cost as an acceptable range of deviation in a manufacturing organisation, only increase in labour cost beyond 2 per cent should be brought to the notice of the management. However, in case of major deviation from the standard (say, 5 per cent), the matter has to receive immediate action of management on a priority basis.</b></p> <p style="text-align: center;"><b>OR</b></p> <p>Goal oriented, Pervasive, Continuous (Any two) (<math>\frac{1}{2}</math> for heading and 1 for explanation)</p>	<p>1 Mark for concept 2 for explanation</p>
A	25	<p>Top Management: To study the product carefully, and to formulate policies to increase sales. (2 points)</p> <p>Middle Management: To interpret the policies formulated by the top management, to encourage the workers to achieve the goals and assign them duties. To coordinate among the division heads of various departments. (3 points)</p> <p>Lower management: To ensure the quality of the product, to give periodic reports to the above levels of management and to assign duties to the employees. (3 points)</p>	<p>1 + <math>1\frac{1}{2}</math> + <math>1\frac{1}{2}</math></p>
A	26	<p>(i) It enables the firm to identify opportunities and get first mover advantage. Early identification of opportunities helps an enterprise to be the first to exploit them instead of losing them to competitors.</p> <p>(ii) It helps the firm to identify threats and early warning signals. Environmental awareness can help managers to identify various threats on time and serve as an early warning signal.</p> <p>(iii) It helps in tapping useful resources. Understanding business environment helps an enterprise to design policies that allow it to get the resources that it needs so that it can convert those resources into outputs.</p> <p>(iv) It helps in coping with rapid changes. In order to effectively cope with significant changes, managers must understand and examine the environment and develop suitable courses of action.</p>	<p>1 mark each</p>

		<p>(v) It helps in assisting in planning and policy formulation. The understanding of business environment is the basis for deciding the future course of action(planning) or training guidelines for decision making (policy).</p> <p>(vi) It helps in improving performance. The enterprises that continuously monitor their environment and adopt suitable business practices not only improve their present performance but also succeed in the market for a longer period.</p> <p>(Any four)</p>	
A	27	<p>By stating in advance how work is to be done planning <b>provides direction for action</b>. Employees are aware of what the organisation has to do and what they must do to achieve. If there was no planning, employees would be working in different directions and the organisation would not be able to achieve its desired goals.</p> <p>By deciding in advance the tasks to be performed, planning shows the way to <b>deal with changes and uncertain events</b>. Changes or events cannot be eliminated but they can be anticipated and managerial responses to them can be developed.</p>	<p>2</p> <p>+</p> <p>2</p>
A	28	<p>Controlling.....1 mark  A, setting objectives, .....½ + ½mark  B analysing actual performance.....½ + ½mark  C Comparing actual with standards (Explanation required).....½ + ½mark</p> <p style="text-align: center;"><b>OR</b></p> <p>Planning and controlling are inseparable twins of management. <b>Planning initiates the process of management and controlling completes the process. Plans are the basis of control and without control the best laid plans may go astray.</b> Once a plan becomes operational, controlling is necessary to monitor the progress, measure it, discover deviations and initiate corrective measures to ensure that events conform to plans. <b>Thus,planning without controlling is meaningless. Similarly, controlling is blind without planning. If the standards are not set in advance, managers have nothing to control.</b>When there is no plan, there is no basis of controlling.</p>	<p>1 + 3</p> <p>1 for each point</p>
A	29	<p>1. The two sources of external recruitment being used by the NGO ‘Sarhak’ are as follows:</p> <ul style="list-style-type: none"> <li>○ Web Publishing:”The website of ‘Sarhak’ provides a link to a Careers site wherein the people desirous of joining the NGO can use simple Job Search to find the right opportunity for themselves”</li> <li>○ Casual Callers: “The NGO also keeps a database of unsolicited applicants in its office so that job seekers may be notified of future opportunities when they arise.”</li> </ul> <p>( 1 for identifying and 1 for explanation)</p>	2+2
A	30	<p>(i) <b>Greater motivation</b> Decentralisation improves the morale and motivation of subordinates which is reflected in better work performance.</p> <p>(ii) <b>Develops initiative among subordinates</b> Decentralisation helps to promote self-reliance and confidence amongst the subordinates. This is because when lower managerial levels are given freedom to take their own decisions, they learn to depend on their own judgment. It helps to promote initiative and creativity among them.</p> <p>(iii) <b>Develops managerial talent for the future</b> As a result of decentralisation, employees get more opportunities to develop new skills. It makes them better future managers.</p>	1 mark for each point

		<p><b>(iv) Quick decision-making</b> Decentralisation in an organisation, provides more freedom to lower level managers to take their own decisions. There is no need to get approval from higher level. It helps in quick and better decision-making.</p> <p><b>(v) Facilitates growth and expansion</b> Decentralisation facilitates organisational growth through expansion and diversification. Top executives are not burdened by the administrative problems and complexities. So, they are able to plan expansion and diversification.</p> <p style="text-align: center;">OR</p> <p><b>i) Effective management</b> By empowering the employees, the managers are able to function more efficiently as they get more time to concentrate on important matters.</p> <p><b>(ii) Employee development</b> As a result of delegation, employees get more opportunities to utilise their talent. It also allows them to develop those skills which will enable them to perform complex tasks and assume those responsibilities which will improve their career prospects.</p> <p><b>(iii) Facilitating growth</b> Delegation helps in the expansion of an organisation by providing a ready work force to take up leading positions in new ventures.</p> <p><b>(iv) Basis of management hierarchy</b> Delegation of authority establishes healthy superior-subordinate relationships, which are the basis of hierarchy of management. It is the degree and flow of authority which determines 'who is reports to whom'.</p> <p><b>(v) Reduces the burden of superior executive</b> The delegation of authority means sharing of work and authority with others. A manager can assign a part of his responsibility and grant authority to his subordinates. This reduces his work load and helps superiors in concentrating on the work which is more important.</p> <p><b>(vi) Motivation</b> It gives job satisfaction to subordinates. It motivates them to render their willing cooperation for achieving the organisational goals. It leads them to higher performance and makes them more responsible.</p> <p style="color: red;">Any four points with heading</p>	1 for Each point
A	31	<p><b><u>Discipline</u></b> : Discipline is the <b><u>obedience to organisational rules and employment agreement</u></b> which are necessary for the working of the organisation. According to Fayol, discipline requires <b><u>good superiors at all levels, clear and fair agreements and judicious application of penalties.</u></b></p> <p>(Context: Failure to obey the agreement and rules would lead to judicious application of penalties)</p> <p><b><u>Unity of Command</u></b>: <b><u>one and only one boss for every individual employee.</u></b> If an <b><u>employee gets orders from two superiors at the same time the principle of unity of command is violated.</u></b> The principle of unity of command states that each participant in a formal organisation should receive orders from and be responsible to only one superior.</p> <p>(Context : players would receive orders from the coach and they would all be responsible only to the coach, to prevent confusion regarding tasks to be done.</p> <p><b><u>Esprit de Corps</u></b>: Management should <b><u>promote a team spirit of unity and harmony among employees.</u></b> A manager should <b><u>replace 'I' with 'We' in all his</u></b></p>	<p>1 + ½ + ½</p> <p>1 + ½ + ½</p>

		<p><b><u>conversations with workers to foster team spirit.</u></b></p> <p>(Context: He promoted the spirit of mutual trust and belongingness among the team members without which he felt it would be difficult to win.</p> <p><b><u>(Provide mark if candidate specifies underlined points)</u></b></p>	<p>1 + ½ + ½</p>
A	32	<p><b>Ans</b> Informal organisation means a network of social relationships among employees arising due to interaction among people at work. (or any other suitable meaning)</p> <p>Advantages of informal organization (any two):</p> <p>(i) It leads to faster spread of information as well quick feedback.</p> <p>(ii) It helps to fulfil the social needs of the members.</p> <p>(iii) It contributes towards fulfilment of organizational objectives by compensating for inadequacies in the formal organisation.</p> <p><b>(If an examinee has only listed the points, ½ mark for each point should be awarded.)</b></p> <p>Limitations of informal organisation: (any two)</p> <p>(i) It leads to spread of rumours.</p> <p>(ii) It may lead to resistance to change.</p> <p>(iii) It pressurizes members to conform to group expectations which may be against organizational interest.</p> <p><b>(If an examinee has only listed the points, ½ mark for each point should be awarded.)</b></p> <p style="text-align: center;"><b>OR</b></p> <p>Functional structure means an organizational structure which is formed by grouping of jobs of similar nature according to functions and organising these major functions as separate departments like production, finance etc. (or any other suitable meaning)</p> <p>Advantages of Functional Structure (any four):</p> <p>(i) A functional structure leads to occupational specialisation since emphasis is placed on specific functions.</p> <p>(ii) It promotes control and coordination within a department because of similarity in the tasks being performed.</p> <p>(iii) It helps in increasing managerial and operational efficiency and this results in increased profit.</p> <p>(iv) It leads to minimal duplication of effort which results in economies of scale and this lowers cost.</p> <p>(v) It makes training of employees easier as the focus is only on a limited range of skills.</p> <p>(vi) It ensures that different functions get due attention</p>	<p>2+</p> <p>1 For Each Point</p> <p>2 marks for the mean- ing + 1 mark for each advan- tage = 2+4 = <b>6 marks</b></p>
A	33	<ol style="list-style-type: none"> <li>Staffing is the function of management which is being referred to in the above lines. The managerial function of staffing is concerned with obtaining and maintaining a satisfactory and satisfied workforce.</li> <li>The step in the process of staffing which has already been carried out is Estimating manpower requirements. Estimating the Manpower Requirements: It is the first step in the staffing process and is carried out with the help of <b>workload analysis</b> (assessment of the number and types of human resources necessary for the performance of various jobs and accomplishment of organisational objectives) and <b>work force analysis</b> (assessment of the number and type available).</li> </ol>	<p>1 + 2+ 3</p>

		<p>The next three steps to be performed after estimating manpower requirements are described below:</p> <ul style="list-style-type: none"> <li>○ Recruitment: Recruitment may be defined as the process of searching for prospective employees and stimulating them to apply for jobs in the organisation.</li> <li>○ Selection: Selection is the process of choosing the best candidate from the pool of applicants.</li> <li>○ Placement and Orientation: Placement refers to the process of giving the charge of the job for which they have been appointed. Orientation may involve a series of activities related to introducing the new employee to other employees and familiarising him with the rules and policies of the organisation. Moreover, he is taken around the workplace and made aware of the fire safety policy, canteen, conference room etc.</li> </ul>	
A	34	<p>1. The two communication barriers because of which Bikmac Enterprises was not able to achieve its targets are:</p> <ul style="list-style-type: none"> <li>○ <b>Organisational barriers:</b> Organisational Policy If the organisational policy, is not supportive to free flow of communication, it may hamper effectiveness of communications. Like in the above case Naval found that all the decision making power of the organisation was highly centralised as it was in hands of his father only.</li> <li>○ <b>Psychological barriers:</b> Distrust Sometimes if there is lack of trust between the parties, they cannot understand each other's message in the same sense. Like in the above case Naval found out that his father didn't believe in his employees.</li> </ul> <p>2. Organisational barriers: <b>Status:</b> Sometimes a status conscious manager also may not allow his subordinates to express their feelings freely. This kind of an attitude may create psychological distance between him and his subordinates. <b>Psychological barriers:</b> Premature evaluation: Sometimes people tend to evaluate the meaning of message even before the sender completes his message on the basis of their own judgement, experience etc.</p> <p style="text-align: center;">OR</p> <p>1. Mrs. Rita has performed the <b>directing function</b> of management. 2. Mrs. Rita has been able to improve Samita's behaviour with the help of motivation which is an element of directing. 3. The features of motivation are explained below:</p> <p><b>Motivation is an internal feeling:</b> An urge, drives, or needs of human being, which are internal, but are likely to influence human behaviour.</p> <p><b>Motivation produces goal directed behaviour.</b></p> <p><b>Motivation can be either positive or negative:</b> Positive motivation can be provided through rewards like increase in pay, promotion, recognition etc., Negative motivation involves use of negative means like punishment, stopping increments, threatening etc. which also may prompt a person to act in the desired way.</p>	<p>2 +2 1+1</p> <p>1+ 2 + 3</p>

<b>SET</b>	<b>B</b>
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**INDIAN SCHOOL MUSCAT  
HALF YEARLY EXAMINATION 2023  
BUSINESS STUDIES (054)**

CLASS: XII

Max.Marks: 80

MARKING SCHEME			
SET	QN.NO	VALUE POINTS	MARKS SPLIT UP
B	1	B. Fayol's principles are applicable in specialized situation where as Taylor's principles have universal application	1
B	2	A. People behaviour is not based on their needs	1
B	3	D. Sales expenses	1
B	4	A. Apprenticeship Programmes	1
B	5	B. Campus recruitment	1
B	6	C Wheel	1
B	7	D. Accountability	1
B	8	C. Implementation of Plan	1
B	9	B. Social environment	1
B	10	D. Gang Boss	1
B	11	C. Decentralisation	1
B	12	D. Management is a continuous process	1
B	13	A. Strategy and objective	1
B	14	<b>B. A-(iii), B-(ii), C-(i)</b>	1
B	15	C. Making effective use of resources	1
B	16	A. Relativity	1



B	17	B. Both Assertion (A) and Reason (R) are True and Reason (R) is not the correct explanation of Assertion (A).	1
B	18	A. Perquisites	1
B	19	B. Functional differentiation	1
B	20	C. Leadership	
B	21	<p>Factory system of production implied that managers served as a <b><u>link between the owners and the workers.</u></b> Since as managers they had the mandate to <b><u>'get work done' from the workers, it should not be difficult for you to appreciate that there always</u></b> existed the possibility of a kind of class-conflict, the managers versus workers. Taylor recognised that this conflict helped none, the workers, the managers or the factory owners. He emphasised that there should <b><u>be complete harmony between the management and workers</u></b></p> <p>The objective of <b>method study</b> is to find out <b><u>one best way of doing the job.</u></b> There are various methods of doing the job. To determine the best way there are several parameters. <b><u>Right from procurement of raw materials till the final product is delivered to the customer every activity is part of method study.</u></b> Taylor devised the concept of assembly line by using method study.</p> <p>Rest intervals will help one to <b><u>regain stamina and work again with the same capacity.</u></b> This will result in increased productivity. <b>Fatigue study seeks to determine the amount and frequency of rest intervals in completing a task.</b></p>	1+1+1
B	22	<p>A. Political and Legal.....1 Mark</p> <p>B (i) Measure of tax administration – black money had to declare their unaccounted wealth and pay taxes at a penalty rate.</p> <p>(ii) Measure to avoid tax evasion – indicating the govt will not tolerate tax evasion</p> <p>(iii) Measure of channelizing savings into the financial system – by depositing money in banks</p> <p>(iv) create cash less or cash lite economy – for financial savings and reducing tax evasion</p> <p>(Any two)</p>	<p>1</p> <p>+</p> <p>1</p> <p>+</p> <p>1</p>
B	23	<p>Efficiency and Effectiveness .....1 Mark</p> <p>Efficiency means doing <b>the task correctly and with minimum cost.</b></p> <p>Effectiveness is concerned with doing the <b>right task, completing activities and achieving goals.</b> (explanation required)</p> <p style="text-align: center;"><b>OR</b></p> <p>(i) <b>Restricted Entry:</b> There is no restriction on anyone being designated or appointed as Manager in any business enterprise. Anyone can be called a manager irrespective of educational qualifications possessed as compared to other professions like a doctor, a lawyer etc.</p> <p>(ii) <b>Professional Association:</b> There are several associations of practicing managers in India like AIMA (All India Management</p>	<p><math>\frac{1}{2} + \frac{1}{2}</math></p> <p>1 for each</p>

		<p>Association) but there is no compulsion for managers to be members of such associations nor does it have any statutory backing unlike other professions.</p> <p>(iii) <b>Ethical code of conduct:</b> All professionals are bound by a code of conduct which guides the behaviour of its members, which is not followed by manager though AIMA has laid down a code of conduct to regulate the activities of their members.</p> <p>(iv) <b>Service Motive:</b> The basic motive of a profession is to serve their clients interests by rendering dedicated and committed service whereas the basic purpose of management is to help the organization to achieve its stated goal which is profit maximisation.</p> <p><i>(If an examinee has only listed the points, ½ mark for each point should be awarded)</i></p>	
B	24	<p><b>Management by Exception:</b> significant deviations which go beyond the permissible limit should be brought to the notice of management. Thus, if the plans lay down 2 per cent increase in labour cost as an acceptable range of deviation in a manufacturing organisation, only increase in labour cost beyond 2 per cent should be brought to the notice of the management. However, in case of major deviation from the standard (say, 5 per cent), the matter has to receive immediate action of management on a priority basis.</p> <p style="text-align: center;"><b>OR</b></p> <p><b>Goal oriented, Pervasive, Continuous (Any two)</b></p>	<p>1 Mark for concept + 2 for expl 1½ + 1½</p>
B	25	<p>i) It enables the firm to identify opportunities and get first mover advantage. Early identification of opportunities helps an enterprise to be the first to exploit them instead of losing them to competitors.</p> <p>(ii) It helps the firm to identify threats and early warning signals. Environmental awareness can help managers to identify various threats on time and serve as an early warning signal.</p> <p>(iii) It helps in tapping useful resources. Understanding business environment helps an enterprise to design policies that allow it to get the resources that it needs so that it can convert those resources into outputs.</p> <p>(iv) It helps in coping with rapid changes. In order to effectively cope with significant changes, managers must understand and examine the environment and develop suitable courses of action.</p> <p>(v) It helps in assisting in planning and policy formulation. The understanding of business environment is the basis for deciding the future course of action (planning) or training guidelines for decision making (policy).</p> <p>(vi) It helps in improving performance. The enterprises that continuously monitor their environment and adopt suitable business practices not only improve their present performance but also succeed in the market for a longer period.</p> <p>(Any four)</p>	<p>1 + 1½ + 1½</p>
B	26	<p>Since planning is the first function of management, <b>new ideas can</b> take the <b><u>shape of concrete plans</u></b>. It is the most challenging activity for the management as <b>it guides all future actions leading to growth and prosperity of the business</b>.</p> <p>Planning serves as the basis of <b><u>coordinating the activities and efforts of different divisions, departments and individuals</u></b>. It helps in avoiding <b>confusion and misunderstanding</b>. Since planning ensures clarity in thought and action, work is carried on smoothly without interruptions. Useless and</p>	<p>1 mark each</p>

		redundant activities are minimised or eliminated	
B	27	<p>1. The two sources of external recruitment being used by the NGO 'Sarthak' are as follows:</p> <ul style="list-style-type: none"> <li>○ Web Publishing: "The website of 'Sarthak' provides a link to a Careers site wherein the people desirous of joining the NGO can use simple Job Search to find the right opportunity for themselves"</li> <li>○ Casual Callers: "The NGO also keeps a database of unsolicited applicants in its office so that job seekers may be notified of future opportunities when they arise."</li> </ul>	<p>2</p> <p>+</p> <p>2</p>
B	28	<p><b>Greater motivation</b> Decentralisation improves the morale and motivation of subordinates which is reflected in better work performance.</p> <p><b>(ii) Develops initiative among subordinates</b> Decentralisation helps to promote self-reliance and confidence amongst the subordinates. This is because when lower managerial levels are given freedom to take their own decisions, they learn to depend on their own judgement. It helps to promote initiative and creativity among them.</p> <p><b>(iii) Develops managerial talent for the future</b> As a result of decentralisation, employees get more opportunities to develop new skills. It makes them better future managers.</p> <p><b>(iv) Quick decision-making</b> Decentralisation in an organisation, provides more freedom to lower level managers to take their own decisions. There is no need to get approval from higher level. It helps in quick and better decision-making.</p> <p><b>(v) Facilitates growth and expansion</b> Decentralisation facilitates organisational growth through expansion and diversification. Top executives are not burdened by the administrative problems and complexities. So, they are able to plan expansion and diversification.</p> <p style="text-align: center;">OR</p> <p><b>i) Effective management</b> By empowering the employees, the managers are able to function more efficiently as they get more time to concentrate on important matters.</p> <p><b>(ii) Employee development</b> As a result of delegation, employees get more opportunities to utilise their talent. It also allows them to develop those skills which will enable them to perform complex tasks and assume those responsibilities which will improve their career prospects.</p> <p><b>(iii) Facilitating growth</b> Delegation helps in the expansion of an organisation by providing a ready work force to take up leading positions in new ventures.</p> <p><b>(iv) Basis of management hierarchy</b> Delegation of authority establishes healthy superior-subordinate relationships, which are the basis of hierarchy of management. It is the degree and flow of authority which determines 'who is reports to whom'.</p> <p><b>(v) Reduces the burden of superior executive</b> The delegation of authority means sharing of work and authority with others. A manager can assign a part of his responsibility and grant authority to his subordinates. This reduces his work load and helps superiors in concentrating on the work which is more important.</p> <p><b>(vi) Motivation</b> It gives job satisfaction to subordinates. It motivates them to render their willing cooperation for achieving the organisational goals. It leads</p>	<p>1 + 3</p>

		them to higher performance and makes them more responsible.	
		Any four points with heading	
B	29	<p>Controlling.....1 mark</p> <p>A, setting objectives, .....½ + ½mark</p> <p>B analysing actual performance.....½ + ½mark</p> <p>C Comparing actual with standards (Explanation required).....½ + ½mark</p> <p style="text-align: center;"><b>OR</b></p> <p>Planning and controlling are inseparable twins of management. <b>Planning initiates the process of management and controlling completes the process. Plans are the basis of control and without control the best laid plans may go astray.</b> Once a plan becomes operational, controlling is necessary to monitor the progress, measure it, discover deviations and initiate corrective measures to ensure that events conform to plans. <b>Thus, planning without controlling is meaningless. Similarly, controlling is blind without planning. If the standards are not set in advance, managers have nothing to control.</b> When there is no plan, there is no basis of controlling..</p>	<p>1 + 3</p> <p>1 for each point</p>
B	30	<p>Top Management: To study the product carefully, and to formulate policies to increase sales. (2 points)</p> <p>Middle Management: To interpret the policies formulated by the top management, to encourage the workers to achieve the goals and assign them duties. To coordinate among the division heads of various departments. (3 points)</p> <p>Lower management: To ensure the quality of the product, to give periodic reports to the above levels of management and to assign duties to the employees. (3 points)</p>	<p>1</p> <p>+</p> <p>1½</p> <p>+</p> <p>1½</p>
B	31	<p><b>Principle of Division of Work:</b> According to Fayol, “The intent of division of work is to produce more and better work for the same effort. <u><b>Specialisation is the most efficient way to use human effort.</b></u>” He advocates that the principle of <u><b>division of work is applicable to all kinds of work both technical as well as managerial.</b></u> “<u><b>For greater productivity, she divides the work into small tasks and each employee is trained to perform his/her specialised job.</b></u>”</p> <p><b>Principle of Centralisation and Decentralisation:</b> <u><b>The concentration of decision-making authority is called centralisation</b></u> whereas <u><b>its dispersal among more than one person is known as decentralisation.</b></u> According to Fayol, “<u><b>There is a need to balance subordinate involvement through decentralisation with managers’ retention of final authority through centralisation.</b></u>”</p> <p>“The sales persons are allowed to close a deal with a buyer by giving a maximum of 10% discount, whereas the decision to give any further discount rests with Radhika as the final authority.”</p> <p><b>Principle of Discipline:</b> Discipline refers to the <u><b>obedience to organisational rules and employment agreement which are necessary for the working of the organisation.</b></u> According to Fayol, discipline requires good superiors at all levels, clear and fair agreements and judicious application of penalties.</p> <p>“Therefore, after six months when the business was doing well, she awarded a</p>	<p>1 + ½</p> <p>+ ½</p> <p>1 + ½</p> <p>+ ½</p> <p>1 + ½</p> <p>+ ½</p>

		cash bonus to each of these employees to honour her commitment.”	
		<b><u>(Provide mark if candidate specifies underlined points)</u></b>	
B	32	<p><b>Ans</b> Informal organisation means a network of social relationships among employees arising due to interaction among people at work. (or any other suitable meaning)</p> <p>Advantages of informal organization (any two):</p> <p>(i) It leads to faster spread of information as well quick feedback.</p> <p>(ii) It helps to fulfil the social needs of the members.</p> <p>(iii) It contributes towards fulfilment of organizational objectives by compensating for inadequacies in the formal organisation.</p> <p><b>(If an examinee has only listed the points, ½ mark for each point should be awarded.)</b></p> <p>Limitations of informal organisation: (any two)</p> <p>(i) It leads to spread of rumours.</p> <p>(ii) It may lead to resistance to change.</p> <p>(iii) It pressurizes members to conform to group expectations which may be against organisational interest.</p> <p><b>(If an examinee has only listed the points, ½ mark for each point should be awarded.)</b></p> <p style="text-align: center;"><b>OR</b></p> <p>Functional structure means an organizational structure which is formed by grouping of jobs of similar nature according to functions and organising these major functions as separate departments like production, finance etc. (or any other suitable meaning)</p> <p>Advantages of Functional Structure (any four):</p> <p>(i) A functional structure leads to occupational specialisation since emphasis is placed on specific functions.</p> <p>(ii) It promotes control and coordination within a department because of similarity in the tasks being performed.</p> <p>(iii) It helps in increasing managerial and operational efficiency and this results in increased profit.</p> <p>(iv) It leads to minimal duplication of effort which results in economies of scale and this lowers cost.</p> <p>(v) It makes training of employees easier as the focus is only on a limited range of skills.</p> <p>(vi) It ensures that different functions get due attention</p>	<p>2+</p> <p>1 For Each Point</p> <p>2 marks for the meaning + 1 mark for each advantage = 2+4 = <b>6</b></p>
B	33	<p>1. Staffing is the function of management which is being referred to in the above lines. The managerial function of staffing is concerned with obtaining and maintaining a satisfactory and satisfied workforce.</p> <p>2. The step in the process of staffing which has already been carried out is Estimating manpower requirements.</p> <p>Estimating the Manpower Requirements: It is the first step in the staffing process and is carried out with the help of workload analysis (assessment of the number and types of human resources necessary for the performance of various jobs and accomplishment of organisational objectives) and work force analysis (assessment of the number and type available).</p> <p>The next three steps to be performed after estimating manpower</p>	1 + 2+ 3

		<p>requirements are described below:</p> <ul style="list-style-type: none"> <li>○ Recruitment: Recruitment may be defined as the process of searching for prospective employees and stimulating them to apply for jobs in the organisation.</li> <li>○ Selection: Selection is the process of choosing the best candidate from the pool of applicants.</li> <li>○ Placement and Orientation: Placement refers to the process of giving the charge of the job for which they have been appointed. Orientation may involve a series of activities related to introducing the new employee to other employees and familiarising him with the rules and policies of the organisation. Moreover, he is taken around the workplace and made aware of the fire safety policy, canteen, conference room etc.</li> </ul>	
B	34	<p>1. The two communication barriers because of which Bikmac Enterprises was not able to achieve its targets are:</p> <ul style="list-style-type: none"> <li>○ <b>Organisational barriers:</b> Organisational Policy If the organisational policy, is not supportive to free flow of communication, it may hamper effectiveness of communications. Like in the above case Naval found that all the decision making power of the organisation was highly centralised as it was in hands of his father only.</li> <li>○ <b>Psychological barriers:</b> Distrust Sometimes if there is lack of trust between the parties, they cannot understand each other's message in the same sense. Like in the above case Naval found out that his father didn't believe in his employees.</li> </ul> <p>2. Organisational barriers: <b>Status:</b> Sometimes a status conscious manager also may not allow his subordinates to express their feelings freely. This kind of an attitude may create psychological distance between him and his subordinates. <b>Psychological barriers:</b> Premature evaluation: Sometimes people tend to evaluate the meaning of message even before the sender completes his message on the basis of their own judgement, experience etc.</p> <p style="text-align: center;">OR</p> <ol style="list-style-type: none"> <li>1. Mrs. Rita has performed the directing function of management.</li> <li>2. Mrs. Rita has been able to improve Samita's behaviour with the help of motivation which is an element of directing.</li> <li>3. The features of motivation are explained below:</li> </ol> <p><b>Motivation is an internal feeling:</b> An urge, drives, or needs of human being, which are internal, but are likely to influence human behaviour.</p> <p><b>Motivation produces goal directed behaviour.</b></p> <p><b>Motivation can be either positive or negative:</b> Positive motivation can be provided through rewards like increase in pay, promotion, recognition etc., Negative motivation involves use of negative means like punishment, stopping increments, threatening etc. which also may prompt a person to act in the desired way.</p>	<p>2 +2 1+1</p> <p>1+ 2 + 3</p>

<b>SET</b>	<b>C</b>
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**INDIAN SCHOOL MUSCAT  
HALF YEARLY EXAMINATION 2023  
BUSINESS STUDIES (054)**

CLASS: XII

Max.Marks: 80

MARKING SCHEME			
SET	QN.NO	VALUE POINTS	MARK S SPLIT UP
C	1	B. A-(iii), B-(ii), C-(i)	1
C	2	C Management is a dynamic function	1
C	3	A. Strategy and objective	1
C	4	B Social Environment	1
C	5	B Fayol's principles are applicable in specialized situation where as Taylor's principles have universal application	1
C	6	B. Campus recruitment	1
C	7	C Wheel	1
C	8	D Gang boss	1
C	9	C decentralisation	1
C	10	C Making effective use of resources	1
C	11	A. Perquisites	1
C	12	B Functional differentiation	1
C	13	B Both Assertion (A) and Reason (R) are True and Reason (R) is not the correct explanation of Assertion (A).	1
C	14	A. Relativity	1
C	15	C selecting alternative course of action	1

C	16	A. Apprenticeship Programmes	1
C	17	D Sales expenses	1
C	18	A. People behaviour is not based on their needs	1
C	19	D. Accountability	1
C	20	C leadership	1
C	21	A. Political and Legal B (i) Measure of tax administration – black money had to declare their unaccounted wealth and pay taxes at a penalty rate. (ii) Measure to avoid tax evasion – indicating the govt will not tolerate tax evasion (iii) Measure of channelizing savings into the financial system – by depositing money in banks (iv) create cash less or cash lite economy – for financial savings and reducing tax evasion (Any two)	$\frac{1}{2} + \frac{1}{2}$  1 for each
C	22	<b><u>Management by Exception:</u> significant deviations which go beyond the permissible limit should be brought to the notice of management. Thus, if the plans lay down 2 per cent increase in labour cost as an acceptable range of deviation in a manufacturing organisation, only increase in labour cost beyond 2 per cent should be brought to the notice of the management. However, in case of major deviation from the standard (say, 5 per cent), the matter has to receive immediate action of management on a priority basis.</b> <b>OR</b> Goal oriented, Pervasive, Continuous (Any two) ( $\frac{1}{2}$ for heading and 1 for explanation)	1 Mark for concept 2 for explanation
C	23	Efficiency and Effectiveness Efficiency means doing the task correctly and with minimum cost. Effectiveness is concerned with doing the right task, completing activities and achieving goals.  <b>OR</b> (i) Restricted Entry: There is no restriction on anyone being designated or appointed as Manager in any business enterprise. Anyone can be called a manager irrespective of educational qualifications possessed as compared to other professions like a doctor, a lawyer etc. (ii) Professional Association: There are several associations of practicing managers in India like AIMA (All India Management Association) but there is no compulsion for managers to be members of such associations nor does it have any statutory backing unlike other professions. (iii) Ethical code of conduct: All professionals are bound by a code of conduct which guides the behaviour of its members, which is not followed by manager though AIMA has laid down a code of conduct to regulate the activities of their members. (iv) Service Motive: The basic motive of a profession is to serve	$\frac{1}{2} + \frac{1}{2}$  1 for each      Any Three Points  1+1+1



		<p>their clients interests by rendering dedicated and committed service whereas the basic purpose of management is to help the organization to achieve its stated goal which is profit maximisation.</p> <p><i>(If an examinee has only listed the points, ½ mark for each point should be awarded)</i></p>	
C	24	<p>There should be complete cooperation between the labour and the management instead of individualism. This principle is an <b><u>extension of principle of ‘Harmony not discord’</u></b>. <b><u>Competition should be replaced by cooperation</u></b>. Both should realise that they need each other. For this, <b><u>management should not close its ears to any constructive suggestions made by the employees</u></b>. They <b><u>should be rewarded for their suggestions which results in substantial reduction in costs</u></b>. <b><u>They should be part of management and, if any important decisions are taken, workers should be taken into confidence</u></b>.</p> <p><b><u>Rest intervals will help one to regain stamina and work again with the same capacity. This will result in increased productivity. Fatigue study seeks to determine the amount and frequency of rest intervals in completing a task.</u></b></p> <p>It determines <b><u>the standard time taken to perform a well-defined job</u></b>. Time measuring devices are used for each element of task. <b><u>The standard time is fixed for the whole of the task by taking several readings. The method of time study will depend upon volume and frequency of the task, the cycle time of the operation and time measurement costs</u></b>. The objective of time study is to determine the number of workers to be employed; frame suitable incentive schemes and determine labour costs.</p>	<p>1 + 1 + 1</p>
C	25	<p>(i) It enables the firm to identify opportunities and get first mover advantage. Early identification of opportunities helps an enterprise to be the first to exploit them instead of losing them to competitors.</p> <p>(ii) It helps the firm to identify threats and early warning signals. Environmental awareness can help managers to identify various threats on time and serve as an early warning signal.</p> <p>(iii) It helps in tapping useful resources. Understanding business environment helps an enterprise to design policies that allow it to get the resources that it needs so that it can convert those resources into outputs.</p> <p>(iv) It helps in coping with rapid changes. In order to effectively cope with significant changes, managers must understand and examine the environment and develop suitable courses of action.</p> <p>(v) It helps in assisting in planning and policy formulation. The understanding of business environment is the basis for deciding the future course of action (planning) or training guidelines for decision making (policy).</p> <p>(vi) It helps in improving performance. The enterprises that continuously monitor their environment and adopt suitable business practices not only improve their present performance but also succeed in the market for a longer period.</p> <p>(Any four)</p>	1 mark each
C	26	<p>Planning helps the manager to look <b><u>into the future and make a choice from amongst various alternative courses of action</u></b>. The manager has to evaluate each alternative and select the most viable proposition. Planning involves setting targets and predicting future conditions, thus helping in taking rational decisions.</p>	<p>2 +</p>

		Planning provides the goals or standards against which actual performance is measured. By comparing actual performance with some standard, managers can know whether they have actually been able to attain the goals. If there is any deviation it can be corrected. <b>Therefore, we can say that planning is a prerequisite for controlling.</b>	2
C	27	<p>Top Management: To study the product carefully, and to formulate policies to increase sales. (2 points)</p> <p>Middle Management: To interpret the policies formulated by the top management, to encourage the workers to achieve the goals and assign them duties. To coordinate among the division heads of various departments. (3 points)</p> <p>Lower management: To ensure the quality of the product, to give periodic reports to the above levels of management and to assign duties to the employees. (3 points)</p>	1 + 1½ + 1½
C	28	<p>Controlling.....1 mark  A, setting objectives, .....½ + ½mark  B analysing actual performance.....½ + ½mark  C Comparing actual with standards (Explanation required).....½ + ½mark</p> <p style="text-align: center;"><b>OR</b></p> <p>Planning and controlling are inseparable twins of management. <b>Planning initiates the process of management and controlling completes the process. Plans are the basis of control and without control the best laid plans may go astray.</b> Once a plan becomes operational, controlling is necessary to monitor the progress, measure it, discover deviations and initiate corrective measures to ensure that events conform to plans. <b>Thus, planning without controlling is meaningless. Similarly, controlling is blind without planning. If the standards are not set in advance, managers have nothing to control.</b> When there is no plan, there is no basis of controlling.</p>	1 + 3          1 for each point
C	29	<p>Greater motivation Decentralisation improves the morale and motivation of subordinates which is reflected in better work performance.</p> <p>(ii) Develops initiative among subordinates Decentralisation helps to promote self-reliance and confidence amongst the subordinates. This is because when lower managerial levels are given freedom to take their own decisions, they learn to depend on their own judgment. It helps to promote initiative and creativity among them.</p> <p>(iii) Develops managerial talent for the future As a result of decentralisation, employees get more opportunities to develop new skills. It makes them better future managers.</p> <p>(iv) Quick decision-making Decentralisation in an organisation, provides more freedom to lower level managers to take their own decisions. There is no need to get approval from higher level. It helps in quick and better decision-making.</p> <p>(v) Facilitates growth and expansion Decentralisation facilitates organisational growth through expansion and diversification. Top executives are not burdened by the administrative problems and complexities. So, they are able to plan expansion and diversification.</p> <p style="text-align: center;"><b>OR</b></p> <p>i) Effective management By empowering the employees, the managers are able to</p>	1 mark for each point

		<p>function more efficiently as they get more time to concentrate on important matters.</p> <p>(ii) Employee development As a result of delegation, employees get more opportunities to utilise their talent. It also allows them to develop those skills which will enable them to perform complex tasks and assume those responsibilities which will improve their career prospects.</p> <p>(iii) Facilitating growth Delegation helps in the expansion of an organisation by providing a ready work force to take up leading positions in new ventures.</p> <p>(iv) Basis of management hierarchy Delegation of authority establishes healthy superior-subordinate relationships, which are the basis of hierarchy of management. It is the degree and flow of authority which determines 'who is reports to whom'.</p> <p>(v) Reduces the burden of superior executive The delegation of authority means sharing of work and authority with others. A manager can assign a part of his responsibility and grant authority to his subordinates. This reduces his work load and helps superiors in concentrating on the work which is more important.</p> <p>(vi) Motivation It gives job satisfaction to subordinates. It motivates them to render their willing cooperation for achieving the organisational goals. It leads them to higher performance and makes them more responsible.</p> <p>Any four points with heading</p>	1 for Each point
C	30	<p>1. The two sources of external recruitment being used by the NGO 'Sarhak' are as follows:</p> <ul style="list-style-type: none"> <li>○ Web Publishing: "The website of 'Sarhak' provides a link to a Careers site wherein the people desirous of joining the NGO can use simple Job Search to find the right opportunity for themselves"</li> <li>○ Casual Callers: "The NGO also keeps a database of unsolicited applicants in its office so that job seekers may be notified of future opportunities when they arise."</li> </ul>	1 + 2 + 3
C	31	<p>1. The two communication barriers because of which Bikmac Enterprises was not able to achieve its targets are:</p> <ul style="list-style-type: none"> <li>○ <b>Organisational barriers:</b> Organisational Policy If the organisational policy, is not supportive to free flow of communication, it may hamper effectiveness of communications. Like in the above case Naval found that all the decision making power of the organisation was highly centralised as it was in hands of his father only.</li> <li>○ <b>Psychological barriers:</b> Distrust Sometimes if there is lack of trust between the parties, they cannot understand each other's message in the same sense. Like in the above case Naval found out that his father didn't believe in his employees.</li> </ul> <p>2. Organisational barriers: <b>Status:</b> Sometimes a status conscious manager also may not allow his subordinates to express their feelings freely. This kind of an attitude may create psychological distance between him and his subordinates. <b>Psychological barriers:</b> Premature evaluation: Sometimes people tend to evaluate the meaning of message even before the sender completes his message on the basis of their own judgment, experience etc.</p> <p style="text-align: center;">OR</p> <p>1. Mrs. Rita has performed the directing function of management.</p>	2 + 2 1 + 1

		<p>2. Mrs. Rita has been able to improve Samita's behaviour with the help of motivation which is an element of directing.</p> <p>3. The features of motivation are explained below:</p> <p><b>Motivation is an internal feeling:</b> An urge, drives, or needs of human being, which are internal, but are likely to influence human behaviour.</p> <p><b>Motivation produces goal directed behaviour.</b></p> <p><b>Motivation can be either positive or negative:</b> Positive motivation can be provided through rewards like increase in pay, promotion, recognition etc., Negative motivation involves use of negative means like punishment, stopping increments, threatening etc. which also may prompt a person to act in the desired way.</p>	<p>1+ 2 + 3</p>
C	32	<p>1. Staffing is the function of management which is being referred to in the above lines. The managerial function of staffing is concerned with obtaining and maintaining a satisfactory and satisfied workforce.</p> <p>2. The step in the process of staffing which has already been carried out is Estimating manpower requirements.</p> <p>Estimating the Manpower Requirements: It is the first step in the staffing process and is carried out with the help of workload analysis (assessment of the number and types of human resources necessary for the performance of various jobs and accomplishment of organisational objectives) and work force analysis (assessment of the number and type available).</p> <p>The next three steps to be performed after estimating manpower requirements are described below:</p> <ul style="list-style-type: none"> <li>○ Recruitment: Recruitment may be defined as the process of searching for prospective employees and stimulating them to apply for jobs in the organisation.</li> <li>○ Selection: Selection is the process of choosing the best candidate from the pool of applicants.</li> <li>○ Placement and Orientation: Placement refers to the process of giving the charge of the job for which they have been appointed. Orientation may involve a series of activities related to introducing the new employee to other employees and familiarising him with the rules and policies of the organisation. Moreover, he is taken around the workplace and made aware of the fire safety policy, canteen, conference room etc.</li> </ul>	<p>1 + 2+ 3</p>
C	33	<p><b>Order:</b> According to Fayol, "People and materials must be in <u>suitable places at appropriate time for maximum efficiency.</u>" The principle of order states that 'A place for everything (everyone) and everything (everyone) in its (her/his) place'. <b><u>A sense of orderliness will lead to increased productivity and efficiency in the organization.</u></b></p> <p><b>Espirit De Corps:</b> According to Fayol, "<b><u>Management should promote a team spirit of unity and harmony among employees.</u></b>" A manager should <b><u>replace I with 'We' in all his conversations with workers to promote teamwork.</u></b> This approach will give rise to a spirit of mutual trust and belongingness among team members. It will also reduce the need for using penalties.</p> <p><b>Equity:</b> According to Fayol, "<b><u>Good sense and experience are needed to ensure</u></b></p>	<p>1 + ½ + ½</p> <p>1 + ½ + ½</p>

		<b><u>fairness to all employees, who should be treated as fairly as possible.” This principle emphasizes on kindness and justice in the behaviour of managers towards workers. The managers should not discriminate against anyone on account of gender, religion, language, caste, belief or nationality etc.</u></b>	1 + ½ + ½
C	34	<p><b>Ans</b> Informal organisation means a network of social relationships among employees arising due to interaction among people at work. (or any other suitable meaning)</p> <p>Advantages of informal organization (any two):</p> <p>(i) It leads to faster spread of information as well quick feedback. (ii) It helps to fulfil the social needs of the members. (iii) It contributes towards fulfilment of organizational objectives by compensating for inadequacies in the formal organisation.</p> <p><b>(If an examinee has only listed the points, ½ mark for each point should be awarded.)</b></p> <p>Limitations of informal organisation: (any two)</p> <p>(i) It leads to spread of rumours. (ii) It may lead to resistance to change. (iii) It pressurizes members to conform to group expectations which may be against organizational interest.</p> <p><b>(If an examinee has only listed the points, ½ mark for each point should be awarded.)</b></p> <p style="text-align: center;"><b>OR</b></p> <p>Functional structure means an organizational structure which is formed by grouping of jobs of similar nature according to functions and organising these major functions as separate departments like production, finance etc. (or any other suitable meaning)</p> <p>Advantages of Functional Structure (any four):</p> <p>(i) A functional structure leads to occupational specialisation since emphasis is placed on specific functions. (ii) It promotes control and coordination within a department because of similarity in the tasks being performed. (iii) It helps in increasing managerial and operational efficiency and this result in increased profit. (iv) It leads to minimal duplication of effort which results in economies of scale and this lowers cost. (v) It makes training of employees easier as the focus is only on a limited range of skills. (vi) It ensures that different functions get due attention</p>	<p>2+</p> <p>1 For Each Point</p> <p>2 marks for the mean ing + 1 mark for each advant age = 2+4 = <b>6</b> <b>marks</b></p>