

# BUSINESS STUDIES AND MANAGEMENT

**CLASS-XII (COMMERCE)**



**SCHEDULED CASTES & SCHEDULED TRIBES  
RESEARCH & TRAINING INSTITUTE (SCSTRI)  
ST & SC DEVELOPMENT DEPARTMENT  
BHUBANESWAR**



# **BUSINESS STUDIES AND MANAGEMENT**

***Workbook Cum Question Bank with Answers***

**CLASS-XII (CHSE)**  
**COMMERCE**

*Writer*

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# FOREWORD



The ST & SC Development Department, Government of Odisha has introduced an innovative education programme for the students appearing in +2 Science and Commerce examination pursuing studies in the ST & SC Development Department Schools (EMRS & HSS) to ensure quality education at +2 level. In this regard it is to mention that an Academic Performance Monitoring Cell (APMC) has been set up in SCSTRTI to monitor the Training and Capacity Building of Teachers of SSD Higher Secondary Schools and Ekalavya Model Residential Schools (EMRS) to enhance quality education for better performance of the students appearing +2 Science and Commerce examination.

Since March 2020 due to Covid-19 Pandemic Situation, the state government has closed all the HSS & EMRS and online classes were going on. The CBSE & CHSE Board were unable to conduct the offline examinations in 2020 and 2021. Since a few months, offline classes are going on. To combat the situation, the CBSE & CHSE Boards have introduced alternate comprehensive examination patterns such as 1<sup>st</sup> and 2<sup>nd</sup> Term End Examinations and Quarter End Examinations etc. to be operative from 2021-22 academic session. Accordingly the Question patterns have completely being changed by both Boards.

To face this situation, the APMC has designed Workbook-Cum-Question Bank with Answers as per the new direction of the Boards. The best of subject experts have been roped to formulate self-contained and self-explanatory "Workbook-Cum-Question Bank with Answers" as per the new pattern of examinations of CHSE & CBSE Boards. They have tried to make the material as far as activity based and solution based as feasible.

I would like to extend my sincere thanks to Prof. (Dr.) A. B. Ota, Advisor-Cum-Director and Special Secretary, SCSTRTI. I would also like to thank Dr. S. C. Das, SLPM, APMC and the team of subject experts for their sincere effort in bringing out the Question Bank in a very short time.

The Workbook-Cum-Question Bank with Answers will cater to the needs of students during this pandemic situation and will be extremely useful for students of Science and Commerce of CBSE and CHSE to face the new pattern of examination, as these are designed accordingly.

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**Ranjana Chopra**  
Principal Secretary  
ST & SC Development Department  
Govt. of Odisha



# PREFACE



An innovative education programme has been initiated by setting up an Academic Performance Monitoring Cell (APMC) in Scheduled Castes and Scheduled Tribes Research and Training Institute (SCSTRTI) to monitor the Training and Capacity Building of Teachers of SSD Higher Secondary Schools and Ekalavya Model Residential Schools (EMRS) and to ensure quality education of students studying at +2 level under the administrative control of the ST & SC Development Department.

Due to Covid-2019 pandemic situation, all the schools under administrative control of ST & SC Development Department are closed since March 2020. As a result different Boards were not able to conduct offline examinations in 2020 and 2021. As an alternative, CBSE Board and CHSE Board have made comprehensive examination patterns in the form of 1<sup>st</sup> & 2<sup>nd</sup> Term End and 3<sup>rd</sup> Quarter End examinations respectively to be followed from 2021-22 academic session.

The present situation demands to fulfill the desire of students and designed new pattern of questions, which will cater to the need of students to face the examinations boldly without any fear and nervousness. The APMC under the banner of SCSTRTI has taken the initiative to prepare Workbook-Cum-Question Bank with Answers in Physics, Chemistry, Biology (Botany & Zoology), Mathematics, Information Technology / Computer Science, English and Odia of Science stream and Business Mathematics and Statistics, Business Studies and Management, Accounting, Cost Accountancy, Fundamentals of Management Accounting, Fundamentals of Entrepreneurship, Banking & Insurance etc. of Commerce stream as per the new pattern of questions to be adopted in both CBSE and CHSE Boards and prepared books separately.

The subject experts, who are the best in their respective subjects in the state have been roped in for this exercise. They have given their precious time to make the new pattern of Question Bank as activity and solution based as per the direction of both CBSE and CHSE Boards.

I hope this material will be extremely useful for the students preparing for the +2 examination in different subject of Science and Commerce streams.

A handwritten signature in black ink, consisting of stylized loops and strokes, representing the name of the signatory.

**Prof. (Dr.) A. B. Ota**

Advisor-Cum-Director & Special Secretary  
SCSTRTI, Govt. of Odisha

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## GROUP - A

# VERY SHORT TYPE QUESTIONS

## UNIT - I

### A. Find the correct answers from the choices given :

1. **Management is basically :**
  - a) An art only
  - b) A science only
  - c) Neither an art or a science
  - d) A combination of both art and science.
2. **Management function which involves thinking in advance is**
  - a) Planning      b) Staffing
  - c) Controlling      d) Directing
3. **Which of the following functions emphasizes division of work?**
  - a) Planning
  - b) Organising
  - c) Staffing
  - d) None of the above
4. **The process of management is considered as:**
  - a) Individual      b) Abnormal
  - c) Universal      d) Non-Practical
5. **Informal group in an organisation**
  - a) Requires official declaration
  - b) formed by Gen.Manager
  - c) based on individual likes and dislikes
  - d) formed out of extra income.
6. **Which is the first and foremost function of a manager?**
  - a) To control      b) To direct
  - c) To staff      d) To plan
7. **Which of the following is not an objective of company management?**
  - a) Innovation      b) Invention
  - c) Co-ordination      d) Co-operation
8. **Management means managing men:**
  - a) Officially      b) Properly
  - c) Tactfully      d) Regidly
9. **Management is:**
  - a) Social science
  - b) Natural science
  - c) Pure science
  - d) Mixture of natural and pure science
10. **Controlling function is more closely related to:**
  - a) Innovating
  - b) Co-ordinating
  - c) Organising
  - d) Planning

- 11. Management is effected at:**
- a) Top level
  - b) Top and middle level
  - c) Middle and low level
  - d) All levels
- 12. Who said management is a part of administration?**
- a) F. W. Taylor
  - b) F. L. Breach
  - c) R. C. Davis
  - d) Mary Parker Follet
- 13. Managers occupy their positions according to their:**
- a) Age                      b) Qualification
  - c) Salary                  d) Authority
- 14. Recruitment is a:**
- a) Planning function
  - b) Organising function
  - c) Staffing function
  - d) Controlling function
- 15. Who is a low level manager?**
- a) General manager
  - b) Production manager
  - c) Foreman
  - d) Finance manager
- 16. Which is functional area of management?**
- a) Production management
  - b) Financial management
  - c) Marketing management
  - d) All the above
- 17. Managers at top level are exposed to more:**
- a) Mental stress
  - b) Physical exercise
  - c) Financial exercise
  - d) None of the above
- 18. Which part of the human body is compared with management?**
- a) Eyes                      b) Hands
  - c) Brains                    d) Ears
- 19. Policy formulation is related to**
- a) Planning                b) Organising
  - c) Controlling            d) Directing
- 20. Which of the following statement is incorrect?**
- a) Management is forward looking
  - b) Management is a continuous process
  - c) Management is tangible
  - d) Management is pervasive
- 21. Organising defines relationship between the:**
- a) People in the structure
  - b) Positions in the structure
  - c) Product in the structure
  - d) None of the above
- 22. Unity of command means:**
- a) Unity among the managers
  - b) Union of workers
  - c) Ultimate authority with single leader
  - d) Unity among the competitors

- 23. Managers at lower level spent more time in**  
a) Planning      b) Co-ordinating  
c) Organising      d) Directing
- 24. Which of the following is strictly not a low level managerial function?**  
a) Over seeing workers at work  
b) Instructing workers about work  
c) Checking quality of products  
d) Planning for executive development
- 25. Management is**  
a) An activity      b) A process  
c) A tradition      d) An illusion
- 26. Administration is largely the task of**  
a) Top level management  
b) Middle level management  
c) Low level management  
d) None of the above
- 27. Delegation of authority is an element of :**  
a) Directing      b) Controlling  
c) Organising      d) Standardising
- 28. Directing means**  
a) Issuing instruction  
b) Interpreting the orders  
c) Supervising the works  
d) All the above
- 29. Henri Fayol, who talked about 'Management principles was a**  
a) English man      b) French man  
c) German      d) American
- 30. The skeleton of an organisation is built by**  
a) Directing      b) Co-ordinating  
c) Staffing      d) Organising
- 31. Recruitment process means:**  
a) Searching candidates for job  
b) Eliminating candidate  
c) Providing training to employees  
d) Evaluating workers performance
- 32. Development of managers 'skill is**  
a) Planning function  
b) Staffing function  
c) Directing function  
d) Controlling function
- 33. Why planning is called Primary function of management?**  
a) It is necessary for all functions  
b) It's necessary at all levels  
c) Planners are toplevel executives  
d) None of the above
- 34. First line managers means managers at:**  
a) Top level      b) Middle level  
c) Lower level      d) Head office
- 35. Staffing function is related to**  
a) Man      b) Machine  
c) Money      d) Market



**36. Which of the following is a feature of good organisation structure?**

- a) Adequate finance
- b) Adequate floor space
- c) Adequate delegation of authority
- d) Adequate social Responsibility

**37. Which is the process of organising?**

- a) Defining the objectives
- b) Determining activities
- c) Assigning duties
- d) All the above

**38. Objective of organising is**

- a) Maximizing cost of production
- b) Maximum production at minimum cost
- c) Maximum salary to employees
- d) Maximum informal communication

**39. Span of management indicates:**

- a) Number of subordinates reporting to the superior
- b) Length of manager's experience
- c) Number of branches the company has
- d) Number of middle level managers

**40. Feature of informal organisation:**

- a) officially designed structure
- b) based on delegation of authority
- c) based on individual likes and dislikes
- d) a definite rules and regulation

**41. Line organisation structure means:**

- a) All the departments of the organisation must be in a horizontal line
- b) The production system must be in a line sequence
- c) Direct line of authority flows from top to bottom
- d) Association of line managers

**42. The nearest word that explains responsibility is:**

- a) authority      b) sincerity
- c) competence      d) obligation

**43. External source of recruitment helps in**

- a) getting candidate with best skill and talent
- b) getting candidate with less salary
- c) getting prestige for the manager
- d) controlling internal man power

**44. Training by lectures and seminars are example of**

- a) on the job training
- b) special job training
- c) off the job training
- d) sensitivity training

**45. Directing means:**

- a) Planning in advance
- b) Initiating action
- c) Searching for people
- d) Arranging all factors of production

**46. Control is closely linked with:**

- a) Organising      b) Co-ordinating
- c) Planning        d) Motivating

**47. A manager must have qualities of good leader while performing the function of:**

- a) Planning        b) Organising
- c) Staffing        d) Directing

**48. Who said "Management is what a manager does"?**

- a) Henri Fayol      b) G. R. Terry
- c) Louis Allen      d) Peter Drucker

**49. Management is also defined as an art because**

- a) it involves cause and effect relationship
- b) it has fundamental truth
- c) it has application of personal skill
- d) it does not believe in science

**50. Which is not a subsidiary function of management?**

- a) Budgeting      b) Controlling
- c) forecasting    d) Reporting

## **B. Fill in the Blanks**

1. Management is the \_\_\_\_\_ of getting things done.

2. Management is situational because there is no \_\_\_\_\_ best way of doing things.

3. Controlling is \_\_\_\_\_ oriented.

4. There should be parity between authority and \_\_\_\_\_.

5. Management means managing man \_\_\_\_\_.

6. \_\_\_\_\_ is said to be essence of management.

7. \_\_\_\_\_ has contributed fourteen principles of management.

8. The function of top level management is to establish \_\_\_\_\_ of the enterprise.

9. In the words of Koont & O'Dennell , Planning is deciding in \_\_\_\_\_.

10. Delegation of authority and fixing responsibility is the function of \_\_\_\_\_.

11. The process of co-ordination must start from \_\_\_\_\_ stage of planning.

12. \_\_\_\_\_ level of planning is more strategic in nature.

13. For routine type of matters \_\_\_\_\_ decisions are made.

14. The selection process starts immediately after \_\_\_\_\_.

15. Leadership and motivations are two important elements of \_\_\_\_\_ functions of management.

**C. Express each of the following in One Word / Term**

1. Managing man tactfully.
2. Managerial function which looks forward.
3. The principles are exact and have universal applicability.
4. The act which deals with the determination of policy with regard to procurement and distribution of material.
5. The number of sub-ordinates that can be effectively managed by a superior.
6. A process of 'thinking before doing'.
7. A process of division of labour accompanied by proper delegation of authority.
8. Manning and keeping manned a right man at right place.
9. It is telling people what to do and seeing that they do it to the best of their ability.
10. A process of passing information from one person to another.
11. It is the orderly arrangement of group effort to provide unity of action in the pursuit of common purpose.
12. A process of checking actual performance against agreed standard or plans with a view to ensure satisfactory performance.
13. Inspiring the subordinates with a zeal to do work for the achievement organisational objective.
14. The process which includes recruitment, selection and placement of employees.
15. It is both art and science.

**D. Answer the following questions in One Sentence**

1. Who has said "to manage is to forecast and plan, to organise, to command, to co-ordinate and to control?"
2. How management is related to group effort?
3. Which is the chief function of the manager?
4. Why management is called as a discipline?
5. State one objective of management.
6. What is the main function of middle level manager?
7. What are the functional area of management?
8. What is organising?
9. What do you mean by communication?
10. What do you mean by controlling function?
11. What are the elements of directing function?
12. What is meant by levels of management?
13. What is administrative management?
14. What is division of labour?
15. What is meant by structured interview?

## UNIT - I

### ANSWER KEYS

#### A. Find the correct answers from the choices given :

- |         |         |         |         |         |
|---------|---------|---------|---------|---------|
| 1. (d)  | 11. (d) | 21. (b) | 31. (a) | 41. (c) |
| 2. (a)  | 12. (b) | 22. (c) | 32. (b) | 42. (d) |
| 3. (b)  | 13. (d) | 23. (d) | 33. (a) | 43. (a) |
| 4. (c)  | 14. (c) | 24. (d) | 34. (c) | 44. (c) |
| 5. (c)  | 15. (c) | 25. (b) | 35. (a) | 45. (b) |
| 6. (d)  | 16. (d) | 26. (a) | 36. (c) | 46. (c) |
| 7. (b)  | 17. (a) | 27. (c) | 37. (d) | 47. (d) |
| 8. (c)  | 18. (c) | 28. (d) | 38. (b) | 48. (c) |
| 9. (a)  | 19. (a) | 29. (b) | 39. (a) | 49. (c) |
| 10. (d) | 20. (c) | 30. (d) | 40. (c) | 50. (b) |

#### B. Fill in the Blanks

- |                   |                  |                 |
|-------------------|------------------|-----------------|
| 1. Art            | 6. Co-ordination | 11. Early       |
| 2. One            | 7. Fayol         | 12. Top         |
| 3. Goal           | 8. Goals         | 13. Programmed  |
| 4. Responsibility | 9. Advance       | 14. Recruitment |
| 5. Tactfully      | 10. Organising   | 15. Directing   |

#### C. Express each of the following in One Word / Term

- |                        |                   |                   |
|------------------------|-------------------|-------------------|
| 1. Management          | 6. Planning       | 11. Co-ordinating |
| 2. Planning            | 7. Organising     | 12. Controlling   |
| 3. Science             | 8. Staffing       | 13. Motivation    |
| 4. Material management | 9. Directing      | 14. Staffing      |
| 5. Span of management  | 10. Communication | 15. Management    |

**D. Answer the following questions in One Sentence**

1. Henri Fayol has said the above definition.
2. Management is also related to group or group activities and does not apply to individual.
3. The main function of the manager is to get the things done through other.
4. Because it has its organised body of knowledge and taught in colleges and universities like any other discipline.
5. The most important objective of management is proper use of various economic resources.
6. To interpret and implement the policy framed by top level managers.
7. Production, purchase, material, finance, personnel, marketing and office management are functional areas.
8. Organising is the process of defining and grouping of activities of an enterprise and establishing authority relationship among them.
9. It is the art of sharing or exchanging information, ideas and feelings.
10. It is the process of checking actual performance against the agreed standard or plan.
11. The four basic elements of directing are communication of orders and instructions, persuasive leadership, proper monitoring and supervision and proper motivation.
12. It indicates the series of managerial positions from top to bottom arranged in terms of authority they enjoy.
13. It is higher level management concerned with thinking function like policy determination and planning.
14. It refers to dividing the work into tasks and assigning each task to an individual worker.
15. The interview which is systematically planned in advance as regards the type of information to be sought and time allotted for it.



## UNIT - II

### A. Find the correct answers from the choices given :

1. **Principles of management are :**
  - a) Statement of fundamental truth
  - b) Official rules and regulations
  - c) Principles approved by law
  - d) Principles acceptable with out change
2. **Principle of parity of H.Fayol suggests for balancing of authority with:**
  - a) responsibility
  - b) remuneration
  - c) revenue
  - d) rotation
3. **All principles of management are**
  - a) Equally important
  - b) Partialy important
  - c) Some are important, others not
  - d) Conditionally important
4. **Management principles help us to co-ordinate:**
  - a) Material resources
  - b) Human resources
  - c) Both material and human resources
  - d) None of the above
5. **One of the management principle advocated by Henri Fayol is:**
  - a) Commanding
  - b) Staffing
  - c) Directing
  - d) Decision making
6. **According to Henri Fayol technical activities are concerned with:**
  - a) Buying & Selling of goods
  - b) Costing,statistics and stock taking
  - c) Planning,organizing a controlling
  - d) Production or manufacturing of goods
7. **Division of labours results into:**
  - a) specialisation
  - b) increase in work load
  - c) decrease in work load
  - d) confusion
8. **Principle of scalar chain tries to regulate**
  - a) Money                      b) Nature
  - c) Machines                d) Men
9. **The credit for developing the principles of general administration goes to:**
  - a) F. W. Taylor
  - b) Peter Drucker
  - c) Henri Fayol
  - d) R.C. Davis
10. **Who is called father of scientific management**
  - a) H. Fayol                      b) L. Allen
  - c) T. Haiman                  d) F. W. Taylor

- 11. According to Taylor the number of foreman for planning the work should be:**
- a) Two                      b) Four
  - c) Six                      d) Eight
- 12. Time study primarily refers to:**
- a) fixing the standard time for doing a job
  - b) recording the time of arrival of workers
  - c) recording perfectly timing of the office
  - d) finding timing for demand of the product
- 13. The originator of motion study was:**
- a) Dr. S. Kent
  - b) Peter Drucker
  - c) F. B. Gilberth
  - d) None of the above
- 14. Mental revolution for higher productivity was suggested by:**
- a) Charles Babbage
  - b) H. Gantt
  - c) F. W. Taylor
  - d) H. Fayol
- 15. The study related to excess work and lack of rest is:**
- a) Motion study
  - b) Fatigue study
  - c) Factory study
  - d) Health study
- 16. F. W. Taylor suggested introduction of :**
- a) Managerial foremanship
  - b) Strategic foremanship
  - c) Functional foremanship
  - d) Non-functional foremanship
- 17. For execution function Taylor has not introduced**
- a) Factory Boss
  - b) Gang Boss
  - c) Speed Boss
  - d) Repair Boss
- 18. Employers criticise scientific management because of-**
- a) Highly expensive
  - b) Undemocratic in nature
  - c) Mechanical in nature
  - d) Creation of unemployment
- 19. Scientific management is concerned with developing :**
- a) Cheapest way
  - b) Costliest way
  - c) Best way
  - d) Popular way
- 20. According to Taylor planning and doing should be :**
- a) Combined      b) Separated
  - c) Flexible          d) Rigid
- 21. Fayol classified business activities into:**
- a) Five groups      b) Three groups
  - c) Six groups       d) Four groups

**22. The number of management principles suggested by Henri Fayol**

- a) 10                      b) 12
- c) 14                      d) 16

**23. For effective use of scientific management Fayol talked about**

- a) Green revolution
- b) White revolution
- c) Mental revolution
- d) Mechanical revolution

**24. Which of the following is not a principle of scientific management**

- a) Science not rule of thumb
- b) Harmony not discord
- c) Co-operation not individualism
- d) Centralisation not decentralisation

**25. Scientific management implies:**

- a) Management by scientist
- b) Application of science to management
- c) Scientifically trained managers
- d) Management for scientists

**26. The type of environment which influence directly and immediately business is**

- a) Legal environment
- b) Political environment
- c) Economic environment
- d) Social environment

**27. The full form of LPG is**

- a) Liberalised public Grant
- b) Liberalisation, politicalisation, Globalisation
- c) Liberalisation, Privatisation, Globalisation
- d) Low priced goods

**28. The process of Liberalisation was introduced in india from the year :**

- a) 1981                      b) 1991
- c) 2001                      d) 2005

**29. LPG is connected with**

- a) General reform
- b) Political reform
- c) Social reform
- d) Economic reform

**30. 'Business' and 'environment'**

- a) have identical meaning
- b) are unrelated to each other
- c) are interrelated
- d) are substitute to each other

**31. Literacy rate is considered as one of the component of**

- a) Natural environment
- b) Social environment
- c) Technological environment
- d) Political environment

- 32. For expansion of the business the business environment should be carefully considered .It provides**
- a) Opportunity for the business
  - b) Threats for the business
  - c) Both opportunity and threat
  - d) None of the above
- 33. Business environment includes forces having important bearing on the business. And they are**
- a) Largely external
  - b) Largely internal
  - c) Internal and controllable
  - d) External & uncontrollable
- 34. Which of the following is not a part of internal environment:**
- a) Customer
  - b) Objective
  - c) Policies
  - d) Organisation structure
- 35. Which one of the following belongs to macro environment:**
- a) Workers union
  - b) Customer
  - c) Competitors
  - d) Demographic factors
- 36. A company which has gone global is called**
- a) Multi-national corporation
  - b) National corporation
  - c) Domestic corporation
  - d) Government corporation
- 37. Causes of Globalization are**
- a) More financial benefits
  - b) Less cost of production
  - c) Opportunity in foreign market
  - d) All the above
- 38. The benefit of liberalization of our economy is**
- a) More government participation
  - b) Strict import system
  - c) More flow of foreign investment
  - d) None of the above
- 39. Liberalisation results in**
- a) Protected market
  - b) Non-protected market
  - c) Less competition
  - d) Less flow of FDI
- 40. Globalisation mainly refers to**
- a) Single plant operation
  - b) Domestic operation
  - c) Public sector concentration
  - d) Multi-plant operation
- 41. Selling Air India to Tata group is an example of :**
- a) Privatization
  - b) Liberalization
  - c) Globalization
  - d) Nationalization

- 42. Privatization is beneficial for economic growth. It helps in :**
- a) Satisfying consumer needs
  - b) Paying debt by the government
  - c) Promoting competitive effectiveness
  - d) All the above
- 43. Conditions in internal environment are :**
- a) Controllable
  - b) Uncontrollable
  - c) Flexible
  - d) Regid
- 44. External environment implies :**
- a) Which exists outside business
  - b) Which is beyond control of the business
  - c) Which influences business
  - d) All the above
- 45. From the following which is not a customer under micro environment?**
- a) Industrial customer
  - b) Foreign customer
  - c) Advertising agency
  - d) Wholesalers customer
- 46. Which of the following is not social environment ?**
- a) Role of family
  - b) Role of Judiciary
  - c) Religion
  - d) Ethical issues
- 47. Which is not an example of Indian business environment ?**
- a) Low income level
  - b) Top level technology
  - c) Under utilization of capacity
  - d) Heavy Govt. interference
- 48. Objective of differential piece wage system is :**
- a) Penalizing in efficient worker
  - b) Discriminating efficient & inefficient worker
  - c) Motivation for high productivity
  - d) All of the above
- 49. Study of business environment means studying :**
- a) External environment
  - b) Internal environment
  - c) Both external & Internal environment
  - d) None of the above
- 50. Which is not an objective of PPP ?**
- a) Mobilization of private sector fund
  - b) Ensuring full government control
  - c) Improve healthy competition
  - d) Improve quality of management



**B. Fill in the Blanks**

1. Henri Fayol has discussed \_\_\_\_\_ principles of management.
2. \_\_\_\_\_ is the right to give order.
3. According to the principle of \_\_\_\_\_ an employee should receive order from one superior.
4. \_\_\_\_\_ sets objectives of an organisation and decides the necessary steps to be taken for their accomplishment.
5. F.W.Taylor published the book "The principles of scientific management" in the year \_\_\_\_\_.
6. According to Taylor ,planning function should be separated from \_\_\_\_\_ function.
7. \_\_\_\_\_ study refers to fixing the standard time for doing a job.
8. \_\_\_\_\_ study is useful in eliminating the wasteful and unnecessary movement of a work.
9. Under scientific management, \_\_\_\_\_ assembles and sets up various tools and equipments to be used by the workers for doing their jobs.
10. \_\_\_\_\_ has been criticised by the workers as it reduces workers to a machine.
11. Abolition of industrial licensing is a feature of \_\_\_\_\_.
12. By business environment we mean \_\_\_\_\_ environment.
13. \_\_\_\_\_ is a non-economic environment which greatly influences business.
14. Technological capability can be grouped under \_\_\_\_\_ environment of a business.
15. Encouraging NRI investment is the objective of \_\_\_\_\_.
16. Demand constraints in the domestic markets is also a reason for \_\_\_\_\_ of the business.
17. \_\_\_\_\_ is the most easy technique of adopting globalisation.
18. In the process of globalisation, minimum \_\_\_\_\_ countries are involved.

## **C. Express each of the following in One Word / Term**

1. A group of people working together in some type of co-ordinated effort to achieve a common objectives.
2. The function related to recruitment, retain and retirement of employees.
3. The integration of the country with world economy.
4. A study which helps in eliminating or reducing wasteful body movement of workers.
5. The overall surrounding under which an enterprise operates.
6. The environment which exists outside the business and on which the business has no control.
7. The business environment which comprises of all the characteristics of society and culture.
8. Study to determine the standard time taken by an average worker to perform a well defined job.
9. The principle that activities having a common goal must have one head and one plan.
10. A function of thinking before doing.
11. An action plan based on the reaction of others.
12. A time bound plan expressed in quantitative terms.
13. It is structuring of functions and duties to be performed by group of people for the purpose of attaining enterprising objective.
14. This managerial function involves manning the organisation structure through proper and effective selection, appraisal and development of personnel to fill the roles designed into the structure.
15. The act of issuing orders and instruction, guiding and counselling the subordinates.
16. It is a process of influencing people to follow in the achievement common corporate goal.
17. The process which involves checking actual performance against the agreed standard or plan.
18. The government thinking of delicensing and relaxing economic rules and regulation.

**D. Answer the following questions in One Sentence**

1. What is unity of Direction?
2. What do you mean by fair remuneration to workers?
3. What is meant by 'Business Environment'?
4. Why principle of universality is significant?
5. Why Henri Fayol is remembered in management?
6. What do you understand by "subordination of individual interest to general interest"?
7. In how many broad categories Fayol has grouped managerial activities?
8. Who is known as 'Father of scientific management'?
9. What is method study?
10. Who is the originator of 'Motion study'?
11. What is the duty of Route clerk under scientific management?
12. Why studying business environment is important?
13. What are the constituents of micro business environment?
14. What do you mean by liberalisation?
15. What is Privatisation?
16. What is the full form of MNCs?
17. Who is the first person to identify the managerial functions of planning, organising, commanding, co-ordinating and controlling?
18. What is globalisation?
19. What is the main cause of going global?
20. What is the full form of EXIM bank?

## UNIT - II

### ANSWER KEYS

#### A. Find the correct answers from the choices given :

- |         |         |         |         |         |
|---------|---------|---------|---------|---------|
| 1. (a)  | 11. (b) | 21. (c) | 31. (b) | 41. (a) |
| 2. (a)  | 12. (a) | 22. (d) | 32. (c) | 42. (d) |
| 3. (a)  | 13. (c) | 23. (c) | 33. (d) | 43. (a) |
| 4. (c)  | 14. (c) | 24. (d) | 34. (a) | 44. (d) |
| 5. (a)  | 15. (b) | 25. (b) | 35. (d) | 45. (c) |
| 6. (d)  | 16. (c) | 26. (c) | 36. (a) | 46. (b) |
| 7. (a)  | 17. (b) | 27. (c) | 37. (c) | 47. (b) |
| 8. (d)  | 18. (a) | 28. (b) | 38. (c) | 48. (d) |
| 9. (c)  | 19. (c) | 29. (d) | 39. (b) | 49. (c) |
| 10. (d) | 20. (b) | 30. (c) | 40. (d) | 50. (b) |

#### B. Fill in the Blanks

- |                     |                           |                    |
|---------------------|---------------------------|--------------------|
| 1. Fourteen         | 7. Time                   | 13. Demographic    |
| 2. Authority        | 8. Motion                 | 14. Internal       |
| 3. Unity of command | 9. Gang boss              | 15. Liberalisation |
| 4. Planning         | 10. Scientific management | 16. Globalisation  |
| 5. 1911             | 11. Liberalisation        | 17. Export         |
| 6. Execution        | 12. External              | 18. Two            |

#### C. Express each of the following in One Word / Term

- |                         |                       |                    |
|-------------------------|-----------------------|--------------------|
| 1. Organisation         | 7. Socio-cultural     | 13. Organising     |
| 2. Staffing             | 8. Time study         | 14. Staffing       |
| 3. Globalisation        | 9. Unity of direction | 15. Directing      |
| 4. Motion study         | 10. Planning          | 16. Leadership     |
| 5. Business Environment | 11. Strategies        | 17. Controlling    |
| 6. External Environment | 12. Budget            | 18. Liberalisation |

**D. Answer the following questions in One Sentence**

1. The principle of unity direction implies that there should be one head and one plan for a group of activities having the same objectives.
2. The remuneration paid to the workers should always be just and fair and afford maximum satisfaction to both the employees and employers.
3. It consists of external factors to which the business is exposed.
4. It is significant because, it is equally and effectively applicable to all organisation.
5. Henri Fayol has advocated some authentic principles of management.
6. Common interest is above the individual interest and when there is conflict between the two the common interest must prevail.
7. He has grouped all managerial activities under three groups i.e. managerial quality and training, functions of management and General principles of management.
8. Dr. F. W. Taylor is known as 'father of scientific management'.
9. This study is related to evolving the best method of doing a job.
10. The originator of Motion study is Frank B. Gilbreth.
11. The route clerk is mainly concerned with laying down the exact path to be followed by raw-materials in the process of becoming final output.
12. Studying business environment helps the firm to know the opportunities and threats to be faced by the business.
13. The constituents of micro business environment are suppliers of input, worker and their union, customers, marketing intermediaries, competitor and public.
14. It means less and less interference and control by the government in the economic activity.
15. It is a process of reducing the role of public or government sector and increasing that of private sector in country's economic development.
16. It is Multi National Corporations.
17. He is Henri Fayol.
18. It means adopting a global outlook for the business.
19. The primary cause of globalisation is considering international business more profitable than domestic business.
20. Export-Import Bank of India.



## UNIT - III

### **A. Find the correct answers from the choices given :**

- 1. A market which covers the length and breadth of a country is called :**
  - a) Local market
  - b) Global market
  - c) National market
  - d) Regional market
- 2. A market where the purchase and delivery of goods takes place simultaneously is known as**
  - a) Future market
  - b) Money market
  - c) Spot market
  - d) Regional market
- 3. The marketing concept , which emphasizes on mass production and mass distribution with low cost per unit is called**
  - a) The production concept
  - b) The product concept
  - c) The exchange concept
  - d) The selling concept
- 4. A local market is a classification of market on the basis of**
  - a) Area
  - b) Position of seller
  - c) Nature of goods
  - d) Volume of business transaction
- 5. The 'non-profit orientation' is the basis of**
  - a) the product concept in marketing
  - b) the societal concept in marketing
  - c) the social marketing concept
  - d) the selling concept in marketing
- 6. A market which sells to the final consumers is called**
  - a) the forward market
  - b) the wholesale market
  - c) the retail market
  - d) None of the above
- 7. The combination of 4 ps of marketing is called**
  - a) the product mix
  - b) the media mix
  - c) the marketing mix
  - d) the promotion mix
- 8. Personal selling is a marketing activity which comes under**
  - a) the product element of marketing mix
  - b) the price element of marketing mix
  - c) the promotion element of marketing mix
  - d) the placement element of marketing mix

**9. Which of the following comes under the placement element of marketing mix ?**

- a) Advertising
- b) Sales promotion
- c) Logistics
- d) Personal selling

**10. The only element of marketing mix which earns revenue for the firm is called**

- a) Product
- b) Price
- c) Placement
- d) Promotion

**11. Consumer satisfaction and consumer delight are the key factors of**

- a) Product concept
- b) Production concept
- c) Marketing concept
- d) Social marketing concept

**12. The most fundamental and basic form of product is called**

- a) Augmented product
- b) Formal product
- c) Core product
- d) Potential product

**13. A type of consumer product which a consumer buys routinely with little planning is called**

- a) staple product
- b) unsought product
- c) shopping product
- d) status product

**14. Which of the following doesnot come under consumer goods ?**

- a) Convenience goods
- b) Staple goods
- c) Shopping goods
- d) Raw-materials

**15. Raw material is an example of**

- a) Services
- b) Industrial goods
- c) Consumer durable goods
- d) FMCG product

**16. Intangibility is a characteristic feature of**

- a) Industrial product
- b) Consumer product
- c) Services
- d) FMCG product

**17. When the manufacture uses a single brand for all his products, it is called**

- a) Individual brand
- b) Family brand
- c) Middlemen brand
- d) Manufacturer's brand

- 18. A pricing strategy in which a marketer determines the price of the product almost equal, to that of his competitor, is known as**
- a) Premium pricing
  - b) Parity pricing
  - c) Discount pricing
  - d) Penetration pricing
- 19. The pricing method in which the price of the product is determined by adding a margin to the estimated total cost of the product is known as**
- a) Full cost pricing
  - b) Cost plus pricing
  - c) Incremental cost pricing
  - d) Target pricing
- 20. When a new product is priced at a premium or higher price as compared to the competitor, it is called:**
- a) What the traffic can bear
  - b) Price skimming
  - c) Price penetration
  - d) Sealed bid pricing
- 21. Marketing creates**
- a) Financial utility
  - b) Place utility
  - c) Consumption utility
  - d) None of the above
- 22. Product concept of marketing is related to**
- a) Quantity of production
  - b) Cost of production
  - c) Awareness about the product
  - d) Quality of the production
- 23. A brand helps in-**
- a) Increasing quality of the product
  - b) Increasing quantity of the product
  - c) Identifying the product
  - d) Reducing awareness level of the product
- 24. Free samples and contests are the method of:**
- a) Personal selling
  - b) Advertising
  - c) Sales promotion
  - d) Publicity
- 25. 'Sandwich men' is related to**
- a) Public relation
  - b) Advertising
  - c) Personal selling
  - d) Sales promotion

**B. Fill in the Blanks**

1. A market which is confined to a limited geographical area is called \_\_\_\_ market.
2. A type of market where the purchase and delivery of the product takes place simultaneously is called \_\_\_\_.
3. \_\_\_\_ market provides short term finances to business concerns.
4. In \_\_\_\_ market goods are purchased in bulk quantity and sold to the retailers in small quantity.
5. \_\_\_\_ concept in marketing believes in the quality and excellence of the product.
6. The non-profit orientation is the basis of \_\_\_\_ marketing concept.
7. A market which covers the entire length and breadth of the country is called \_\_\_\_ market.
8. In \_\_\_\_ pricing method the marketer estimates the total cost of production and then adds a mark-up or margin to arrive at a desired rate of return.
9. The channel type, in which there exists no middlemen between the producer and the final consumer is called \_\_\_\_.
10. A \_\_\_\_ is a name, term, symbol or a combination of all which differentiates a product from its competitors.
11. In \_\_\_\_ point the total sales revenue of a product is equal to its total cost.
12. Heterogeneity is a characteristic feature which separates \_\_\_\_ from goods.
13. Advertising helps in creating \_\_\_\_.
14. Personal selling involves \_\_\_\_ way communication.
15. Events and speeches are the tools of \_\_\_\_.
16. The main focus point of modern marketing concept is \_\_\_\_.
17. Marketing starts with consumer and ends with consumer \_\_\_\_.
18. Marketing must deliver goods and services in exchange of \_\_\_\_.
19. Direct channel is also called \_\_\_\_ level channel.
20. Same product but different prices is the principle under \_\_\_\_ pricing method.
21. Marketing is \_\_\_\_ oriented.
22. \_\_\_\_ channel of distribution is oldest, shortest and simplest.

### **C. Express each of the following in One Word / Term**

1. A marketing concept which propagates a social cause.
2. A market where buying and selling and delivery of goods take place simultaneously.
3. A place where buyers and sellers congregate for an exchange process.
4. An element of marketing mix which earns revenue for the firm.
5. A paid form of non-personal communication.
6. A type of channel where producers of the goods directly sell to the final consumers.
7. Goods which are bought by consumers instantly without any prior planning.
8. Products which are used repeatedly and usually have a longer life.
9. A branding strategy where the manufacturer uses a single brand for all his products.
10. A pricing method which is at par with the competitors price.
11. Any act or performance, which one party offers to another party for sale, which is essentially intangible.
12. A step in the personal selling process which involves a face to face interaction of seller with the likely consumer.
13. A channel type comprising middlemen or intermediary.
14. Promotion activities involving short term use of incentives or other promotion tools that stimulate interest in the customers.
15. A sales man who seeks to introduce a new product or new brand into the market and create a demand for such a novelty.
16. A selling tool, powerful and effective in convincing the customer about the product.
17. A process of marketing communication to inform, persuade, remind and influence consumers in favour of a product or service.
18. It refers to that part of the brand which can be spoken.
19. It refers to the amount paid to obtain a product or service.
20. A marketing concept which propagates a social cause.

**D. Answer the following questions in One Sentence**

1. How do you define market under place concept?
2. From which term 'Market' has originated?
3. What is product oriented marketing?
4. What is product mix?
5. What are 4ps of marketing?
6. How marketing is defined in modern days?
7. What is trade credit?
8. What are included in physical distribution function of marketing?
9. What do you mean by 'Niche Marketing'?
10. What is brand?
11. Write one disadvantage of branding?
12. What do you mean by umbrella brand?
13. What is the purpose of labelling?
14. What is market price?
15. What is personal selling?
16. What is the main purpose of 'Sizing up' of customers?
17. What is advertising?
18. What is sales promotion?
19. Write a pro-active objective of sale promotion?
20. What is packing?

**UNIT - III****ANSWER KEYS****A. Find the correct answers from the choices given :**

- |       |        |        |        |        |
|-------|--------|--------|--------|--------|
| 1. c) | 6. c)  | 11. c) | 16. c) | 21. b) |
| 2. c) | 7. c)  | 12. c) | 17. b) | 22. d) |
| 3. a) | 8. c)  | 13. a) | 18. b) | 23. c) |
| 4. a) | 9. c)  | 14. d) | 19. b) | 24. c) |
| 5. c) | 10. b) | 15. b) | 20. b) | 25. b) |

**B. Fill in the Blanks**

- |                 |                   |                      |
|-----------------|-------------------|----------------------|
| 1. Local market | 8. Cost plus      | 15. Public Relations |
| 2. Spot market  | 9. Direct channel | 16. Customer         |
| 3. Money        | 10. Brand         | 17. Satisfaction     |
| 4. Retail       | 11. Break-even    | 18. Money            |
| 5. Product      | 12. Service       | 19. Zero             |
| 6. Social       | 13. Demand        | 20. Discriminating   |
| 7. National     | 14. Two           | 21. Consumer         |
|                 |                   | 22. Direct           |

**C. Express each of the following in One Word / Term**

- |                     |                      |                       |
|---------------------|----------------------|-----------------------|
| 1. Social marketing | 8. Durable products  | 15. Creative salesman |
| 2. Spot market      | 9. Family branding   | 16. Personal selling  |
| 3. Market           | 10. 'At par' pricing | 17. Promotion         |
| 4. Price            | 11. Services         | 18. Brand name        |
| 5. Advertising      | 12. Approach         | 19. Price             |
| 6. Direct channel   | 13. Indirect channel | 20. Social marketing  |
| 7. Impulse goods    | 14. Sales promotion  |                       |



**D. Answer the following questions in One Sentence**

1. It may be defined as a convenient meeting place where buyers and sellers meet together for exchange of goods.
2. Market has originated from the Latin word 'Marcatus' which means a place where business is conducted.
3. Under product oriented marketing, the manufacture focuses mainly on production and then look for the people to purchase them.
4. A product mix is the set of all product lines and items that a seller offers to sale to buyers.
5. 4ps of marketing are product ,price, place and promotion.
6. It is a powerful mechanism which alone can satisfy the needs and wants of the consumer at the place and price they desire.
7. Trade credit is the credit extended by one trader to another when goods and services are bought on credit without making immediate payment.
8. Physical distribution function includes transportation, inventory management, ware housing and material handling.
9. Niche marketing is a technique where the marketer plays a specialist role in a particular segment like quality specialist, service specialist.
10. It is a mark, symbol or design used for the purpose of identification of the product.
11. The sealer tries to push up the price of goods in the name of an established brand.
12. It is selecting a name or symbol for all the products of a company.
13. The purpose of labelling is to give the consumer information about the product he is buying and what it will and will not do for him.
14. Market price is the price determined by free play of demand and supply of a product.
15. Personal selling refers to oral face to face interaction between sales representative and prospective customer for the purpose of making sales.
16. The main purpose of 'sizing up' is to determine the strategy to be adopted in dealing with the customer.
17. It is a paid form of non-personal presentation and promotion of ideas, goods and services by an identified sponsor.
18. Sales promotion is an important instrument in marketing to lubricate the marketing effort. It is a necessity for modern marketing.
19. To gain additional market or revenue is a pro-active objective of sales promotion.
20. Packing is the act of housing the product in the packages.

## GROUP - B

# SHORT TYPE QUESTIONS

## UNIT - I

**Answer the following in thirty words.**

1. 'For managing a group management is must'. Why?
2. Why management is considered universal?
3. State any two objectives of management.
4. State any two differences between management and administration.
5. State any four functions of lower level management.
6. What do you mean by authority?
7. Mention any four basic steps in controlling.
8. What do you mean by science?
9. Can management be considered as exact science.
10. Explain management as a group activity?
11. Explain management as a goal oriented process.
12. How management keeps in achieving personal objectives?
13. Give two names of scholars who subscribe to American concept of Administration vs Management.
14. Administration is a part of management. Explain.
15. State the meaning of planning.
16. Why planning a pervasive function of management?
17. State any two features of organising.
18. Define staffing.
19. How staffing is a continuous function?
20. Define Directing.
21. State two features of Directing.
22. Define Controlling.
23. State two features of controlling.
24. What is motive?
25. What is the most critical step in planning process?
26. What do you mean by hierarchy of management?
27. How management is a social process?
28. How management helps in development of the business?
29. Explain levels of management.
30. Write two characteristics of management as profession?

## UNIT - I

### ANSWER KEYS

#### Answer the following in thirty words.

1. A person joins his hand with fellow beings and workers in an organised group to achieve many of his goals which can not be achieved individually. So management is a must for attaining group goals.
2. The management of any organisation follows some principles. These principles are very helpful in achieving group goods and they are effectively applicable to any type of organisation i.e. business or non business.
3. Hints - Choose any two objectives from the text book.
4. Management is a doing function and largely a function of middle and lower level management.  
Administration is a thinking function and exercised by the top level managers.
5. These are to assign job and task to workers, to issue orders and instructions, to arrange machinery and equipments for the workers and to supervise and control their performance.
6. Authority means right of a person to take decision, and issue instructions. It is associated with the post that a person holds in the organisation.
7. Following are some of the basic steps in controlling:
  - Setting standards of performance
  - Measuring the actual with standard
  - Comparing actual with standard
  - Taking corrective actions.
8. Science is a systematized body of knowledge with universal applicability.
9. Management deals with people whose behaviour is ever changing. It is not a pure science because rules and regulations cannot be rigidly followed as in case of physics, chemistry etc.
10. Management helps to bring co-ordination among the group of people in their thought and action. It helps in achieving group goals.
11. To accomplish any goal management is necessary. Success of management is measured in terms of effectiveness and efficiency in which these goals are achieved.
12. Group goals can be achieved effectively if they are linked with fulfillment of individual goals. While the management takes care of the individual work, they automatically contribute towards corporate goal and personal goal.

13. Oliver Sheldon and W. R. Spiegel subscribe to this concept of Administrative management.
14. This concept implies that administration is part of management. Management can be divided into Administrative management and operative management, while the former involves planning and policy making whereas the latter involves execution of plan & policies.
15. Planning is deciding in advance what to do, how to do it, when to do it and who is to do it.
16. Planning is a necessary and primary activity of all managers working at all levels of the organisation. So it is called pervasive.
17. Refer test book.
18. Staffing function is related to recruitment, selection, development, training and compensation of subordinate and managers.
19. Manning and keeping them manned in the enterprise is a great function of managers. There will be inflow and outflow of personnel. So services of the adequate man power must be retained in the organisation.
20. Directing is the executive function of guiding and observing sub-ordinates.
21. Refer text book.
22. Controlling is the process of taking steps to bring actual results and desired result closer together.
23. Refer text book.
24. It is what induces a person to act in a particular way. It is a state of mind which encourages and energises an individual to do a particular activity for satisfying certain need.
25. Finding the best possible alternative among different alternatives is always the most critical step in the process of planning.
26. For smooth management of the organisation, various posts are created and arranged in a hierarchical order so that authority can flow freely. Accordingly the importance of the organisation they are positioned in various levels of the structure.
27. Management is a social process because all its functions are basically concerned with the people and society. It gets inputs from the society and is also responsible to the society.
28. By proper planning, organising, directing etc management helps a business to grow on sound footing. It also helps in profitable expansion. The organisation depends on efficiency of managers.
29. It is a demarcation between various managerial positions in an Organisation. The levels of management depend upon its size, technical facility, the work force and the range of production.
30. Refer to text book.

## **UNIT - II**

**Answer the following in thirty words.**

1. What do you mean by 'principles of management'?
2. What is meant by globalisation?
3. What is meant by liberalisation?
4. What basic factors are inducing people to go for globalisation?
5. Explain the principle of scalar chain.
6. What does the principle of 'unity of command' imply?
7. "There should be parity between authority and responsibility". Explain.
8. Explain Time study.
9. What is the purpose of motion study?
10. Explain mental revolution.
11. Define business environment.
12. What is micro environment?
13. What is macro environment?
14. Why it is necessary to understand business environment?
15. What is Legal environment?
16. What is technological environment?
17. What do you mean by disinvestment?
18. Why is business environment uncertain?
19. What do you mean by first mover advantage?
20. What is liberalisation? Mention one major step that has been initiated for liberalisation in India.
21. What is privatisation? State one of its feature.
22. Management principles help managers to take scientific decision. Explain.
23. What is method study?
24. What do you mean by the term 'science not rule of thumb'?
25. What do you understand by 'division of work'?
26. Explain the principle 'just and fair remuneration to employees'.
27. Explain the principle of 'Esprit de corps'.

## UNIT - II

### ANSWER KEYS

#### Answer the following in thirty words.

1. Principles of management are the fundamental truths which give the guidelines for managerial decision making and action. These principles are developed on the basis of experience of managers over a long period of time.
2. Globalisation is the process of integrating Indian economy with various other economy.
3. Liberalisation means removal of all unnecessary restriction and control on business and industry so that the business units can operate freely.
4. There are two basic factors which induce people to go for globalisation i.e. pull factors and push factors.  
  
Pull factors- Relative profitability of foreign market.  
  
Push factors- Saturation of demand in domestic market.
5. It refers to formal line of authority from highest rank to lowest rank. It indicates the flow of authority from top to bottom. It serves as chain of command as well as line of communication.
6. According to this principle an individual employee should have only one superior from whom he should receive orders and to whom he should be responsible more than one superior creates confusion.
7. According to Henri Fayol there should be balance between authority and responsibility. If more authority is given compared to responsibility, there will be misuse of authority. Similarly shortage of adequate authority will create problem in executing plans and policies.
8. It determines the standard time taken to perform a given task. It is determined by scientifically observing different employee working the same task at different efficiency level.
9. The main purpose of motion study is to identify the motions which are unproductive, so that these may be eliminated and the best way of doing the job may be determined.
10. Mental revolution signifies that there should be a change in the attitude of

## **BSM**

workers and management towards their work and relationship. The workers should put their best for the company's goal and the management should be ready to share the enhanced profit with the workers. A complete team work and understanding is necessary.

11. The sum total of external factors which influence the business and over which the business has no control. Sometime we divide them as external and internal. Largely they are the external factors.
12. It refers to those factors which influence the business and exist outside the business. These external surrounds are not controllable by the business.
13. Macro environment means the factors external to the business but closely related to it. They control the business unit differently.
14. Perfect understanding of the environment influencing business is necessary because internal environment shows the areas of strength and weaknesses of the organisation where as external environment indicates opportunities and threats.
15. Legal environment means the Acts passed by the government, decision taken by the judiciary and various

## **Question Bank with Answers**

commission ,agency appointed by the Govt. They regulate the conduct of the business.

16. Technological environment consist of innovation of new techniques and equipment for production and distribution of goods and services. Advanced technology gives better competitiveness to firm.
17. It means disposing off share of public sector companies to private sector. In other words, it is the privatisation of public sector for increasing their productivity and efficiency.
18. Business environment is uncertain due to unexpected rapid changes in the components of business environment both external and internal.
19. A company which is very much conscious of changes taking place around the surroundings of business and is able to foresee the opportunity and threats well in advance is known as first mover. He gets advantages over other competitors.
20. Liberalisation refers to unshackling the economy from bureaucratic control to make it more competitive. One example of liberalisation step in India is delicensing of industries.

21. Privatisation is a process through which some public sector undertakings are brought either partially or completely under private ownership. Its aim is to encourage healthy competition among the public and private sectors.
22. Management principles are set of rules and regulation developed after much scientific study and research. It provides effective base for solving business problem. Hence these principles are much more effective in finding solution to any managerial problem.
23. It refers to identifying the most suitable way to do a particular activity in order to minimise the production cost and maximise product quality and customer satisfaction.
24. Rule of thumb principles are unscientific and guided by personal biasness. F. W. Taylor, in his scientific management emphasized that these old rule must be replaced by scientifically developed principles.
25. According to this principle work can be done more efficiently if it is divided into different tasks and each task is assigned to specialist. So division of work helps in developing specialists for doing task effectively.
26. This principle suggests that the remuneration payable to employees should be fair to both employees and employer. In case of conflict organisational interest must be honoured first.
27. According to H. Fayol, "management should promote team spirit of unity and harmony among the employees". This team spirit can be achieved through proper co-operation and co-ordination among the workers and employees.



## **UNIT - III**

**Answer the following in thirty words.**

1. What is meant by Market?
2. What is product market concept?
3. Name different elements of marketing mix.
4. What are industrial products?
5. State the basic objectives of branding.
6. Mention the objectives of packaging.
7. Explain price skimming.
8. What do you mean by physical distribution?
9. State the elements of promotion mix.
10. Who is a marketer? Can a buyer be a marketer?
11. What is marketing?
12. What is a target market?
13. What do you mean by 'product'?
14. What do you mean by indirect channel?
15. What do you mean by pre-approach in personal selling?
16. What physical qualities are required of a good salesman?
17. What is advertising?
18. What is sales contest?
19. Explain coupon as a consumer sale promotion tool.
20. What is meant by product line?

## UNIT - III

### ANSWER KEYS

**Answer the following in thirty words.**

1. It is place where buying and selling of commodities takes place (Place concept)  
  
It is meeting of buyer and seller through various means with an intention to engage in an exchange for mutual gains.(Activity concept)
2. This concept believes in product quality and excellence. It assumes that innovative and good quality product will be sold automatically.
3. The different element of marketing mix are product, price, place and promotion.
4. Industrial products are purchased not for final consumption. They are purchased as raw materials for producing other finished products.
5. The main objective of branding is to create a separate identity of the company's product in the market.
6. There are four objectives of packaging. They are
  - a) Product identification
  - b) Product protection
  - c) Product convenience
  - d) Product promotion
7. When the product becomes popular and has no competitor, the firm sets a high premium price to skim the cream of the demand. This type of pricing is called price skimming.
8. Physical distribution relates to physical flow of goods from the point of origin to point of consumer need. It involves a series of inter related activities such as inventory management, transportation, order processing etc.
9. Elements of promotion mix are personal selling, advertising, sales promotion and publicity.
10. A person whether buyer or seller, who takes active part in the process of exchange is a marketer. Generally in most of the cases the seller take active part in exchange process but in some situation the buyer can take active part to be called an marketer.
11. Marketing is a social and managerial process by which the individuals obtain what they need through the process of exchange.

## **BSM**

12. The target market consists of potential customers who are selected on the basis of demographic, psychographic and other considerations to be targeted for intensive selling.
13. Product is a bundle of utilities which satisfy the need of the buyer. It is a mixture of tangible and intangible attributes which can be exchanged for value. It is more than the physical object.
14. In this type of channel the producer takes help of intermediaries to reach the ultimate consumer. The intermediaries are wholesaler, agent and retailer.
15. Pre-approach refers to collection of detail information about the consumers their capacity to buy, their likes and dislikes etc.
16. The salesman needs physical fitness in personal selling. He has to travel throughout the day for making sales

## **Question Bank with Answers**

- effective. So he should have sound health, correct body posture, clear voice and good appearance.
17. Advertising refers to any paid form of non personal presentation and promotion of ideas, goods and services by an identified sponsor.
  18. Sales contest is a tool of trade sales promotion in which retailers are encouraged to compete with each other and the best performers are given rewards and recognition.
  19. Coupon is a certificate generally supplied along with the product that entitles consumer to an immediate price reduction when they buy the product.
  20. It refers to a group of closely related products having same characteristics and customers. They may share same technology, distribution channels related services etc.

## GROUP - C

# LONG ANSWER TYPE QUESTIONS

## UNIT - I

**Answer the following in fifty words.**

1. Discuss the significance of management in business.
2. Mention any six objectives of management.
3. Explain how management is science as well as art?
4. State importance of directing.
5. Organisation has the same importance for business organisation as 'structure of bones in human body'. Explain.
6. 'Planning is meaningless without controlling and controlling is blind without planning'. Explain.
7. Planning is basically forward looking. Discuss
8. What is span of management?
9. What do you mean by economic objectives of business?
10. What do you understand by universability of management principles?

## HINTS FOR ANSWERS

1. Business is a group activity and it operates in a complex environment. Expand the idea.
2. Refer text book.
3. It is a mixture of science and Arts, state the features of science and Art.
4. Directing the function when action is initiated proper and timely order help direction.
5. Organisation structure is the skeleton of business connected through authority - responsibility relation.
6. Discuss about planning and controlling and their relation with each other.
7. It is one of the feature of planning. Refer to text.
8. How much subordinate can report to one common superior. Span may be Horizontal or vertical.
9. Business is an economic entity. Refer text book.
10. An important principle of management. The principles of management are applicable to all organisation.

## UNIT - II

**Answer the following in fifty words.**

1. Explain three distinction between administration and management.
2. Explain any one principle of management given by Henri Fayol.
3. How Fayol has classified Business activities?
4. What do you mean by scalar chain?
5. Explain 'Mental revolution' under scientific management.
6. Who is F.W.Taylor? What is his contribution?
7. Explain about Business Environment.
8. Write about political-Legal Environment?
9. What is globalisation of economy? Explain any two features.
10. State the necessity of privatisation.

### HINTS FOR ANSWERS

1. Clearly explain three distinction. Refer the text Book.
2. Write about Henri Fayol with one example of principles of management.
3. Henri Fayol has classified business activities into six groups i.e. Technical, Commercial, Financial, Security, Accounting and Managerial. Write at least one sentences for each.
4. It is principle that determines flow of authority.
5. An element discussed by F.W.Taylor under scientific management.
6. F.W.Taylor, father scientific management. Discuss his contribution in short.
7. The business elements are affected by the factors around it .They are broadly two types internal & external. Discuss.
8. The rules and regulation enacted by the government for conduct of the business.
9. When we make business beyond our own country. Refer the text Book.
10. With drawing control over private sector. Disinvestment in public sector, one example.

## UNIT - III

### Answer the following in fifty words.

1. State various nature of marketing.
2. Mention any three basic objectives of marketing.
3. Explain different types of labelling.
4. State any six functions of channels of distribution.
5. Mention any three differences between marketing and selling.
6. How does marketing satisfy needs and wants of people?
7. 'Product is a mixture of both tangible and intangible attributes'. Discuss.
8. What is product cycle?
9. What are the qualities of good brand name?
10. Mention internal factors influencing the pricing decision of a firm.
11. Give any three limitation of advertising.
12. What are the basic objectives of promotion?

### HINTS FOR ANSWERS

1. Customer and competitor oriented, starts with consumer and ends with consumer, Important function of management, profit maximisation long term objectives, integrated process, and delivering quality goods in exchange of money.
2. Basic objectives are customer satisfaction, growth of the business and increasing market share.
3. Refer the text Book.
4. Any six may be discussed out of many like Market information, Physical distribution, risk taking etc.
5. Refer the text Book.
6. Marketing satisfy consumer needs . Mention all marketing functions.
7. It is a mixture of many tangible and intangible attributes. The marketer should be aware of those.
8. It is the stages through which a product passes Introduction, growth, maturity, saturation and decline.
9. Simple and short, clearly pronounced , Distinct, Suggestive and not offensive.
10. Internal factors are costs, management policies, marketing objectives etc.
11. Hints - refer text book.
12. Basic objective are informing, persuading and reminding.

