

Practice Questions

Subject- Business Studies

Class 12th

1. "In 2005 the aim to accelerate growth the company had gone through several rounds of meetings and discussions." What is the objective mentioned here according to the process stated here?

- a. developing premises
- b. growth and development
- c. launching it enable system
- d. cost-cutting

ans b

2. Under which environmental effect IBM and Coca Cola had to leave India

- a. political
- b. social
- c. economic
- d. Technical

Ans a

3. Extended form of delegation of authority is called

- a. Specialisation
- b. centralisation
- c. decentralization
- d. division of work

Ans. C

4. Delegation creates _____ in the development of subordinates

- a. Hindrance
- b. Improvement
- c. Decrease
- d. None of the above

Ans b

5. Corrugated boxes are part of

- a. Primary package.
- b. Secondary package.
- C. Transportation package.
- d. Labels

Ans b

6. _____ involves harmony and team spirit among employees.

- a. Discipline
- b. Esprit de corps
- c. Order

d. Standardisation

Answer b

7. Management of Info Max Limited is following a practice in which it transfers a particular project to the senior management. The senior management then divides and allocates the tasks to the teams. This is helping the company meet all the timelines. Which principle of management is highlighted here?
- Unity of Command
 - Unity of Direction
 - Division of Work
 - Decentralisation

Answer c

8. Which system of Management topics of “complete mental change” ?
- Administrative management
 - Scientific
 - Both a and b
 - None of the above

Answer b

9. Principles of science are based on cause-and-effect relationship. For example, the phenomenon of an apple falling from a tree towards the ground is explained by the law of gravity. Identify the feature of science to which the above statement is related
- systematized body of knowledge
 - principles based on experimentation
 - Universal validity
 - None of the above

Answer a

10. Policy formation is the function of
- Top level
 - Middle level
 - Operational management
 - All of the above

Answer a

11. Under what function of management does the determining of structure of roles fall?
- Planning
 - Organising
 - Directing
 - Controlling

Ans b

12. Which component of business environment resulted in the relaxation of ban imposed on the Foreign Direct Investment?
- Economic Environment
 - Political Environment
 - Social Environment

d. Legal Regulatory Environment

Ans. D

- 13. Prem is working as a top level manager in a business organisation. He has been given the job of preparing the plans for the whole company . Prem is an expert in making a correct forecast. At first, he looks for the different options to complete every job, and then on the basis of their evaluation select the most suitable option. In this way , by taking correct decisions and beating his competitors ,he is moved forward .**

To which particular point of the “ importance of planning” is the above event related ?

- a. planning provides direction**
- b. planning promotes innovative ideas**
- c. planning establishes standard for controlling**
- d. planning facilitate decision making**

Ans d

- 14. _____ is the basis of Organising function of management.**

- a. Controlling**
- b. Leadership**
- c. Division of work**
- d. None of the above**

Answer c

- 15. ‘In order to be successful an organisation must change its goal according to the needs of environment.’ which feature of management is highlighted in the statement**

- a. management is dynamic**
- b. management is goal-oriented process**
- c. management is group activity**
- d. management is all pervasive**

Answer a

- 16. In Japanese companies’ paternalistic style of management is in practice. There is complete openness between the management and workers. If at all workers go to strike they wear a black badge but work more than normal working hours to gain the sympathy of the management . Name the principle of scientific management which is followed by the Japanese companies**

- a. harmony not discord**
- b. cooperation not individual**
- c. science not rule of thumb**
- d. development of each and every person to his or her greatest efficiency and prosperity**

Answer a

- 17. Three subordinates S1, S2, S3 receives order from Mr. A . In such a situation which principle of management is being observed**

- a. equity**
- b. order**
- c. unity of command**
- d. unity of direction**

Ans. C

18. Which contribute to the elimination of complexity of large-scale organisation

- a. Planning
- b. directing
- c. Controlling
- d. Coordination

Ans. D

19. Who is the father of Administrative Management

- a. Taylor
- b. Fayol
- c. Both
- d. None

Ans b

20. Name the function of management which helps in the formulation of future plans, in the light of the problems that were identified and thus, helps in better planning in the future period

- a. planning
- b. organising
- c. directing
- d. Controlling

Answer D

21. Which of the following is not an element of social environment

- a. birth and death rate
- b. constitution of the country
- c. population shifts
- d. Life expectancy

Answer b

22. _____ is the process by which the manager brings order out of chaos , removes conflict among people over work or responsibility sharing and creates an environment suitable for teamwork.

- a. planning
- b. organising
- c. staffing
- d. controlling

Answer b

23. _____ ensures that the heads of separate business units in the organisation are responsible for profit or loss of their unit and have authority over it.

- a. Span of Management
- b. Divisional of Structure
- c. Function Structure
- d. Hierarchy of Authority

Answer b

24. “Sudden announcement of demonetisation by our Prime Minister” is an example of which feature of business environment

- a. relativity
- b. Specific and General Forces
- c. Inter related
- d. Uncertain

Answer D

25. Managers apply management principles by using creativity. This is related to

- a. management as science
- b. management as an art
- c. management as science and art both
- d. management as a profession

Answer b

26. Coordination is more important in an organisation

- a. performing or dealing with a single function
- b. performing or dealing with multiple functions
- c. performing or dealing with manufacturing goods
- d. all of the above

Answer b

27. Evenly distribution of authority at every level leads to

- a. delegation
- b. decentralization
- c. informal organisation
- d. formal organisation

Answer b

Case based questions

Since childhood Neeru and Janak had been watching their grandmother procuring wheat from the market ,washing it well ,drying it and getting it converted into atta. They conducted a survey to collect data to identify whether there is a demand for readymade atta and realised that with the growing number of working women, it is the need of the hour to manufacture high quality atta. They named their product 'Srijan' and setup 'Srijan Atta Factory' at Jaunpur village to penetrate in the market ,they decided to keep the price low. For maintaining smooth flow of their product into the market and avoiding delay in delivery it was decided to store wheat at SKM Services which had scientific process and Logistics facilitating quick delivery. They also set up an online complaint portal to take care of consumer grievances

28. identify the marketing function performed by conducting surveys to collect data

- a. transport
- b. Warehousing
- c. gathering and analysing information
- d. none of the above

Answer c

29. identify the function due to which they give a name to their product

- a. branding

- b. transport
- c. designing of product
- d. labelling

Answer a

30. identify the function when they decided to store their product

- a. transport
- b. labelling
- c. branding
- d. warehousing

Answer d

31. identify the marketing function which they are performing by setting and online complaint portal.

- a. Labelling
- b. Customer support service
- c. Transport
- d. Branding

Answer b

32. Organisation structure establishes relationships between

- (a) organisation and environment.
- (b) people, work and resources.
- (c) organisation and society.
- (d) suppliers and customers.

Ans b

33. Degree of decentralisation indicates

- (a) degree of authority delegation.
- (b) degree of responsibility.
- (c) degree of power delegation.
- (d) degree of accountability.

Answer a

34. ___ is the duty for job performance.

- (a) Authority
- (b) Responsibility
- (c) Accountability
- (d) Both(a) and(c)

ANSWER A

35. Which one of the following is a step of planning?

- (a) Analysis of organisation structure
- (b) Analysis of environment
- (c) Analysis of employee behaviour
- (d) Analysis of employee morale

Answer b

36. Decision-making is the case of ___

- (a) Planning

- (b) Organising
- (c) Staffing
- (d) Directing

Ans a

37. ___ is a feature of planning also referred to as primacy of planning.

- (a) Pervasive
- (b) Primary function of management
- (c) Continuous
- (d) Integrating

Ans b

38. Which of the following statements is not true for lower level management?

- (a) Analyse the business environment and its implications for the survival of the business.
- (b) Ensure the quality of the output
- (c) They strive to reduce the wastage of resources
- (d) They ensure that the safety standards are maintained within the organisation.

Ans a

39. Management principles can be applied to all types of activities." (True /False)

Ans True

40. Gang plank is related to

- (a) communication.
- (b) motivation
- (c) supervision of workers.
- (d) incentives to workers

Ans a

41. Management is a process because

- a. it involves series of steps
- b. it leads to systematic working
- c. it involves one single activity
- d. none of the above

Answer a

42. When a worker Achieves target production of 100 units at a higher cost. He is

- a. efficient
- b. effective
- c. both effective and efficient
- d. none of the above

Answer b

43. The principles of management can be changed according to the prevailing situation in the organisation this shows that management principles are

- a. flexible
- b. behavioural
- c. scientific
- d. universal

Answer a

44. business environment includes

- a. surroundings of business
- b. forces ,factors, Institutions which directly or indirectly affect business
- c. customers and employees
- d. none of the above

Answer b

45. Management is always denoted by 'We'and not by 'I' because

- a. it is a process
- b. it is continuous
- c. it is a group activity
- d. it is intangible

Ans c

46. The conditions in business environment keep changing as it is

- a. External Environment
- b. Complex
- c. Dynamic
- d. none of the above

Answer c

47. Liaison with outside world is te function of

- a. Top level
- b. Middle level
- c. Supervisory level
- d. All of the above

Answer a

48. Management works with the following objectives

- a. objective of profit maximization
- b. objective of sales maximization
- c. objective of becoming marketing leader
- d. multiple objectives

Answer D

49. Changes in taxes is part of

- a. Economic Environment
- b. Political Environment
- c. Legal Environment
- d. Social Environment

Answer a

50. The element that aims at integrating group efforts to achieve group objectives is called

- (a) Cooperation**
- (b) Coordination**

(c) Management
(d) Directing
Answer b