

# Pratap Public School, Karnal

Mid-Term Examination (2023)

Class - XII

Subject - Business Studies

Time : 3 Hours

M.M : 80

Name ..... Roll No. .... Section .....

## General Instructions:

- (i) This question paper contains 34 questions.
- (ii) Marks are indicated against each question.
- (iii) All Questions are Compulsory.
- (iv) Attempt all parts of the questions together.

1. Mridul and his brother Rehan started a business of making handmade cards from waste material and named it 'Fantasy'. Their business started flourishing. They formulated attainable and time-bound overall goals and also framed strategies for the achievement of these goals. For this, they gave permission to appoint the required people who would be responsible for implementing and controlling those strategies. On the basis of the functions highlighted above, identify the level at which the people will be appointed for implementing and controlling the strategies:

- |                       |                   |     |
|-----------------------|-------------------|-----|
| (a) Top Level         | (b) Middle-Level  |     |
| (c) Supervisory-Level | (d) At all levels | (1) |

2. Nikita and Salman completed their MBA and started working in a multinational company at the same level. Both are working hard and are happy with their employer. Salman had the habit of backbiting and wrong reporting about his colleagues to impress his boss. All the employees in the organisation knew about it. At the time of performance appraisal the performance of Nikita was judged better than Salman. Even then their boss, Mohammed Sharif decided to promote Salman stating that being a female Nikita will not be able to handle the complications of a higher post. Identify the principle of management which was not followed by this multinational company.

- |                               |                            |     |
|-------------------------------|----------------------------|-----|
| (a) Equity                    | (b) Initiative             |     |
| (c) Remuneration of Employees | (d) Stability of personnel | (1) |

3. The owner of 'Sweet Moments' wedding hall spent a great deal of time, money and effort in renovation, expecting a bumper wedding season in 2020, but due to the pandemic, weddings became intimate home affairs and not many bookings happened.

The limitation of planning highlighted in the above case is:

- |  |     |
|--|-----|
| (a) It reduces creativity                    |     |
| (b) It may not work in a dynamic environment |     |
| (c) It leads to rigidity                     |     |
| (d) It is time consuming                     | (1) |

4. Planning is closely connected with \_\_\_\_\_ and \_\_\_\_\_
- Responsibility and Accountability
  - Delegation and Decentralisation
  - Stability and Security
  - Creativity and Innovation (1)
5. In the following Questions, read the following statements and choose the correct alternative among those given below:
- Alternatives:**
- Both the Statements are true.
  - Both the Statements are false.
  - Statement 1 is true and Statement 2 is false.
  - Statement 2 is true and Statement 1 is false. A
- Statement 1: Planning is a continuous process.
- Statement 2: Once plans are framed and implemented, they need to be followed by new plans according to the new requirements. (1)
6. Manoj, a leading director of a big movie production house always gives opportunities to his subordinates to utilise their talent. His subordinate Shruti used these opportunities to showcase her talent and developed her skills to perform complex tasks. Eventually Shruti started directing films on her own and was promoted as an Assistant Director, with a huge increase in salary. The point of importance of delegation reflected in the above case is:
- Better coordination
  - Effective management
  - Employee development
  - Basis of management hierarchy (1)
7. 'Compro Solutions' offers IT services to clients across the country. During COVID-19, to accommodate changes taking place in the business environment, it suitably modified its organisation structure in a way that work from home became the new way of working for all employees bringing cost benefits and flexibility in the organisation. The point of importance of organising discussed above is:
- Benefits of specialisation
  - Adaptation to change
  - Development of personnel
  - Clarity in working relationships (1)
8. Name the function of management that acts as a means for translating plans into action.
- Planning
  - Directing
  - Organising
  - Controlling (1)
9. The activities whose outcome not only improves the job performance but also help individuals in the progress towards maturity and actualisation of their potential capacities is known as:
- Training
  - Education
  - Development
  - Performance appraisal (1)
10. Staffing ensures the continuous survival and growth of the enterprise through \_\_\_\_\_
- Competent personnels for various jobs
  - Right person on the right job
  - Job satisfaction and morale of employees
  - The succession planning for managers (1)

- (A) Intelligence tests
- (B) Aptitude tests
- (C) Personality tests
- (D) Trade tests

- (ii) To measure the potential to acquire skills
- (iii) To judge the persons maturity and value system
- (iv) To judge the person's ability to make decision and judgements.

- (a) (i), (ii), (iii), (iv)
- (c) (iv), (ii), (iii), (i)

- (b) (ii), (i), (iii), (iv)
- (d) (iv), (iii), (ii), (i)

12. Identify the external source of recruitment illustrated by the picture given below:



- (a) Recommendation of Employees
- (b) Labour Contractors
- (c) Campus Recruitment
- (d) Employment Exchange

13. M. R. Sarthi, the Ex-chairman of Swadesh Ltd., built up his successor before retiring. Following the norms set up by him, he handed over the reins of the company to the co-founder Mr. Shraavan, who had the potential to bring about change in the behaviour of others. Name the concept of management which was the reason why Mr. Sarthi chose Mr. Shraavan to be his successor.

- a. Motivation
  - b. Leadership
  - c. Communication
  - d. Staffing
- (1)

14. Which of the following statement is false?

- (a) Monetary aspect may be involved in a non-financial incentive.
  - (b) A Laissez-faire leader may have certain rules to be followed while doing work.
  - (c) A democratic leader may take his own decision.
  - (d) Formal communications are written only and generally recorded and filed in the office.
- (1)

15. Pratyaksh, manager recognises that subordinates perform best if they have set their own objectives. He respects their opinion and supports them to perform their duties and accomplish organisational objectives. Which leadership style is Pratyaksh using?

- (a) Autocratic Leadership
  - (b) Participative leadership
  - (c) Free-rein Leadership
  - (d) All of these
- (1)

16. Which of the following is not an assumption of Maslow's Need Hierarchy Theory?

- (a) People's behaviour is based on their needs
- (b) People's needs are in hierarchical order
- (c) People are motivated by unfulfilled needs
- (d) A person moves to next higher level need even if lower need is not satisfied (1)

17. Match the 'Financial and Non-financial Incentives' given under Column I with the suitable statements under Column II.

Column I	Column II
A Employee Recognition Programmes	(i) Individual autonomy, reward orientation and consideration to employees are some of its examples.
B. Organisational climate	(ii) Involving employees in decision-making of the issues related to them.
C. Bonus	(iii) Congratulating the employee for good performance.
D. Employee participation	(iv) It is an incentive offered over and above the salary

A B C D

a. (iii), (i), (iv), (ii)

c. (i), (ii), (iv), (iii)

A B C D

b. (i), (ii), (iii), (iv)

d. (iv), (iii), (i), (ii)

(1)

18. Zolo, a marketer of cars having 40% of the current market share of the country aims at increasing the market share to 70% in next few years. For achieving this objective, the manager of the company specified the action programme covering various aspects. Identify the function of marketing discussed above.

- a. Customer support services
- b. Gathering and analysing market information
- c. Product designing and development
- d. Marketing planning (1)

19. Which of the following statements about advertising is incorrect?

- a. It is a personal form of communication
- b. It is a paid method of communication
- c. It is a mass selling technique
- d. It is inflexible as the message can be adjusted to the needs of the buyer (1)

20. Choose the incorrect statement about pricing objectives as a factor affecting the price of a product.

- a. If a firm's objective is to maximise profits in the short run, it should charge maximum price for its products.
- b. If a firm's objective is to capture market share, it should keep low price of its product.
- c. If a firm wants to attain product quality leadership, it should charge lower prices.
- d. If a firm is facing problems in survival due to stiff competition, it may offer discount on its products.

21. 'The pros and cons of each alternative need to be weighed.' Name and briefly explain the logical steps in the process of planning which are followed by a manager before performing the step highlighted in the above statement. (3)

OR

Briefly explain the next three steps in the process of planning which the manager will have to have to follow after using conjecture about what might happen in the future.

22. Voltage fluctuations have been common and quite high in India. They harm our electrical appliances like televisions, refrigerators and air conditioners, often leaving them in a permanently damaged condition. N-Guard Company decided to manufacture stabilisers for North India where the voltage fluctuation ranges from 220V to 230 V. Once the demand for North India was taken care of, they decided to launch stabilisers of varying voltages from 90V-260V for meeting the requirements of voltage fluctuations in other regions of India also. Three engineers were appointed for South, West and East regions of India, as the voltage was different in all the three regions. Though all the engineers were appointed to manufacture stabilisers, but the product differed from region to region.

State any three advantages of the structure identified in the above para. (3)

23. Alfa Ltd. was dealing in renewable energy. To get the business, the team leader and his team used to travel to different states to give presentation to their clients. As per the policy of the company, the leader used to travel by air, whereas his team travelled by road/train. It was not only time consuming but also at time forced female team members to travel alone. As a result, the subordinates were not acting in a desired manner to achieve organisational goals. The CEO came to know about it. He called the team leader, discussed the matter with him and decided to change the travel policy of the company. It was decided that all the members including the leader would travel together in future and would usefully utilise the travelling time in discussion with the subordinates about presentation to be given to the clients. This made a positive impact and every member of the team started acting in a manner as desired by the team leader. State the features of the element of the function of management used by the CEO. (3)

24. Explain the following functions of management

- (a) Marketing Planning
- (b) Customer Support Services

OR

Explain the following marketing management philosophies

- 1. Product Concept
- 2. Production Concept on the basis of

- (a) Main focus and
- (b) Means and Ends

25. Samir Gupta started a telecommunication company, 'Donira Ltd.' to manufacture economical mobile phones for the Indian rural market with 15 employees. The company did very well in its initial years. As the product was good and marketed well, the demand of its products went up. To increase production the company decided to recruit additional

employees. Samir Gupta, who was earlier taking all the decisions for the company had to selectively disperse the authority. He believed that subordinates are competent, capable and resourceful and can assume responsibility for effective implementation of their decisions. This paid off and the company was not only able to increase its production but also expanded its product range.

(a) Identify and explain the concept used by Samir Gupta through which he was able to steer his company to greater heights.

(b) Also explain any three points of importance of this concept. (4)

26. Mega Ltd. holds an Annual Management Programme every year in the month of March in which the top managerial personnel formulate plans for the next year by analysing and predicting the future to meet future events effectively.

As they are responsible for providing direction to the organisation, facts are thoroughly checked using scientific calculations. Detailed plans are prepared after discussion with professional experts. Preliminary investigations are also undertaken to find out the viability of the plan. Since it is an intellectual activity requiring intelligent imagination and sound judgment, it is mainly done by the top management. Usually rest of the members just implement the plans. Middle level managers are neither allowed to deviate from the plans nor are they permitted to act on their own. The top management ensures that the expenses incurred in formulating the plans justify the benefits derived from them.

State any two limitations and two features of planning discussed above. (4)

27. Resolutions Pvt. Ltd. is a publishing company. Its book on Business Studies for class XII is in great demand. As a result, the employees in the marketing department are always racing against time as they have to work overtime and on holidays as well to cater to the demand. The work stress has led to dissatisfaction among the employees of the marketing department.

(i) Name and explain the step of staffing process which has not been performed properly.

(ii) Also, explain the immediate next step in the process of staffing (4)

28. State any four limitations of using internal sources of recruitment.

OR

State any four commonly used sources of recruiting employees from outside organization.

(4)

29. Mr. Fernandes is the owner of Unibie Enterprises, carrying on the business of manufacturing electrical appliances. There is a lot of discontentment in the organisation and targets are not being met. He asked his son, Michel, who has recently completed his MBA, to find out the reason. Michel found that all decision making of the enterprise were in the hands of his father. Moreover, his father did not have confidence in the competency of the employees. Thus, the employees were not happy.

(a) Identify any two communication barriers because of which 'Unibie Enterprise' was not able to achieve its target.

(b) State one more barrier each of the types identified in part (a) above. (4)

30. Explain four important elements of Marketing Mix.

(4)

OR

"Determination of Price of a Product' is influenced by many factors. Explain any four factors that have an influence on price.

31. Explain by giving three reasons why coordination is important in an organization?

OR

Is management a 'Science'? Give any three reason in support of your answer. (6)

32. Abhishek studied management principles and techniques of Henri Fayol and F.W. Taylor when he was in class XII. Now he is trying to apply his knowledge while doing his business. By using different techniques and scientifically analysing work he found one best way of doing the job. By removing unproductive movements of the workers he reduces the time to complete the job. Not only this, to increase productivity and to regain stamina he started giving more rest intervals to his employees. He followed no discrimination policy on account of sex, religion, caste, etc. in his organisation. He ensured that the compensation should be fair to both, employees and the organisation.

Identify and explain any two techniques of scientific management and two principles of general management adopted by Abhishek. (6)

33. Explain with the help of one example each how 'Political Environment' and 'Legal Environment' affect the functioning of a business enterprise.

OR

Explain how Business Environment

- a. Helps in tapping useful resources
- b. Helps in coping with rapid change
- c. Helps in improving performance

(6)

34. Priya is a regional manager of XYZ. Ltd. She is a hardworking employee and is trying to reduce wastage of resources in her company. She has set standards for performance of different activities and is ensuring that targets are met according to these standards with minimal wastage of resources. She has set up CCTV cameras which helps her to keep a close check on the activities of the subordinates and know how the employees are performing. She also rewards the employees with a bonus when these standards are met. She is trying her best to ensure a good performance of her team this year through the application of an important function of management. Explain any four benefits of the function of management highlighted above. (6)