



# INDIAN SCHOOL AL WADI AL KABIR

First Assessment 2024-25

## BUSINESS STUDIES

PART A		
Q. No.	Questions	Marks
1	<p>Ashutosh Goenka was working in 'Axe Ltd.', a company manufacturing air purifiers. He found that the profits have started declining from the last six months. Profit has an implication for the survival of the firm, so he analyzed the business environment to find out the reasons for this decline. Which level of management a Ashutosh Goenka was working</p> <ul style="list-style-type: none"><li>a. <b>Top level management</b></li><li>b. Middle level management</li><li>c. Operational level management</li><li>d. Lower level management</li></ul>	1
2	<p>Ramarjuna joins an IT firm as a system analyst after completing his masters in Computer Science. As the nature of his work demands he has to work in very close coordination with all the departmental heads in the firm, very soon Ramarjuna realizes that each departmental head has own individual style of working. They differ greatly in their day-to-day approach to work. They tend to deal with a given situation, an issue or a problem through a combination of their own experience, creativity, imagination, initiative and innovation. In the context of the above case, Which nature of management highlighted in the above case.</p> <ul style="list-style-type: none"><li>a. <b>Management is an art</b></li><li>b. Management is science</li><li>c. Management is profession</li><li>d. None of these</li></ul>	1
3	<p>Pakka employment is a company which takes care of the fact that the confidence of the employees should always be at its peak. For this reason, they give surety to their employees for employment for a minimum fixed tenure of time. Which principle of management is followed here?</p> <ul style="list-style-type: none"><li>a. stability of personnel'.</li><li>b. Esprit De Corps</li><li>c. <b>'initiative</b></li><li>d. None of these</li></ul>	1

4	<p>Ramesh is the owner of a printing press. The size of his organisation has increased during the recent past. There are many employees who work in his organisation. The organisation is considered good and has earned a lot of reputation in the market. However, when it comes to making key decisions in the organisation related to many things he never considers the opinions of his subordinates. Even though the size of the organisation has increased yet he tries to take all the key decisions on his own. Which principle of Fayol has been violated by him?</p> <p>A. stability of personnel'.  b. Esprit De Corps  c. 'initiative  d. <b>Centralisation and Decentralisation'</b>.</p>	1
5	<p>A company is a component of market. It utilises various raw materials, labour force, human resources, power, water, other sources, etc. When all these resources are utilized output is produced. But before output is produced the input has to go through various operations. These operations convert the raw materials into final products which are then sold in the market. In the above paragraph which importance of Business Environment is highlighted?</p> <p>a. <b>Helps in tapping useful resources.</b>  b. It enables the firm to identify new opportunities when they arise, and getting the first mover's advantage  c. It helps the firm to identify forthcoming threats and early warning signals.  d. It helps in assisting planning and policy formulation</p>	1
6	<p>Advertisements of a protein supplement must inform the potential buyer that the product if taken beyond a given dose can be harmful to the diabetics. Which dimension of business environment is highlighted here?</p> <p>a. Economic  b. Technological  c. Social  d. <b>Legal</b></p>	1
7	<p>Naman is a very intelligent planner. He knows the market pretty well. For last 15 years he has been leading several successful projects for his company. Company gives him responsibility to start a new project in S. America. With his experience he makes assumptions about all the possible future scenarios. Which step of the planning process is the above paragraph related to?</p>	1

	<ul style="list-style-type: none"> <li>a. Setting objectives</li> <li><b>b. Developing premises</b></li> <li>c. Identifying alternative courses of action</li> <li>d. Evaluating alternative courses</li> </ul>	
8	<p>Dinesh takes a meeting and guides his employees in a type of plan which is chronological in nature and is situation specific. It is a collection of various methods in a step wise sequence. Identify the plan</p> <ul style="list-style-type: none"> <li>a. Policy</li> <li>b. Method</li> <li><b>c. Procedure</b></li> <li>d. Budget</li> </ul>	1
9	<p>Alliance Ltd. is engaged in manufacturing plastic buckets. The objective of the company is to manufacture 100 buckets a day. To achieve this, the efforts of all departments are coordinated and interlinked and authority-responsibility relationship is established among various job positions. There is clarity on who is to report to whom.</p> <p>Name the function of management discussed above.</p> <ul style="list-style-type: none"> <li>a. Planning</li> <li><b>b. Organising</b></li> <li>c. Staffing</li> <li>d. Directing</li> </ul>	1
10	<p>An organisation is working by clubbing similar related jobs under different departments. The HR department is not in direct touch with the Marketing Department and this has created problems. The HR head feels that he only knows about the HR department and similar is the case with the Marketing department. However the truth is both of them have limited and specific skills.</p> <p>Which type of organisation structure does this organisation has?</p> <ul style="list-style-type: none"> <li><b>a. Functional structure</b></li> <li>b. Divisional Structure</li> <li>c. Formal structure</li> <li>d. Informal structure</li> </ul>	1
11	<p>Steelo Ltd decided to set-up its steel manufacturing factory in the backward area of Orissa where very less job opportunities were available. People of that area welcomed this effort of 'Steelo Ltd.' To attract people to work in its factory it also decided to provide many other facilities like school, hospital, market, etc. in the factory premises.</p> <p>'Steelo Ltd.' started earning huge profits. Another competing</p>	3

	<p>company asked its production manager ‘Aslam’ to investigate the reasons of earning huge profits by ‘Steelo Ltd.’</p> <p>Aslam found that in both the companies there was systematic coordination among the various activities to achieve organizational goals. Every employee knew who was responsible and accountable to whom. The only difference was that in his organization communication took place only through the scalar chain whereas ‘Steelo Ltd.’ was allowing flow of communication in all the directions as per the requirement which lead to faster spread of information as well as quick feedback. Identify the type of organization which permits ‘Steelo Ltd.’ the flow of communication in all the directions.</p> <p>a. Formal Organsiation  <b>b. Informal Organisation</b>  c. Functional organisation  d. Divisional Organisation</p>	
12	<p>Alpha Enterprises is a company manufacturing water geysers. The company has a functional structure with four main functions— Production, Marketing, Finance and Human Resource. As the demand for the product grew, the company decided to hire more employees.</p> <p>Identify the concept which will help the Human Resource Manager in deciding the actual number of persons required in each department.</p> <p>a. Work force analysis  b. Work load analysis  c. Training  d. None of these</p>	3
13	<p>Aditya Rubbers is thinking of knowing the worth of its employees but it is unable to do so yet. The firm now has decided to include a step in its staffing process through which it can judge the performance of its employees.</p> <p>Name the step the organisation will include.</p> <p>a. Estimating manpower requirement  b. Recruitment  c. Staffing  <b>d. Performance appraisal</b></p>	3
14	<p>Anjana chemicals is looking for qualified and talented people to apply for vacant jobs in the organisation. With the passage of time the organisation has learned a lot with its experience. It knows when it goes for final selection of candidates, it will have to</p>	3

	<p>design different tests. They want to test the employees on the basis of their learning and decision making ability. The company wants to ensure proper testing of the recruited candidates. After this the candidates will be judged on the basis of in-depth formal conversation.</p> <p>After the selection the candidates are placed and trained. Employees have to be trained on the equipment they will be using but this training will take place away from the workplace. Which type of test should be conducted done by the organisation to suit their need?</p> <p>a. Aptitude test  <b>b. Intelligence test</b>  c. Trade test  d. Interest test</p>	
15	<p>Rajeev is an HR manager leading a team of 12 people. He knows that the duties and responsibilities of an HR employee are challenging. He knows in order to make his team work with a positive frame of mind, he will have to set a personal example as a role model and influence their behaviour and working style to increase the output of his team.</p> <p>Identify the element of directing stated in the above case</p> <p>a. Motivation  <b>b. Leadership</b>  c. Communication  <b>d. Supervision</b></p>	4
16	<p>Rajeev is concerned about his new job. He has got a good job but the problem is distance. He is very far from his home and his family needs his support. Identify the step of motivation process</p> <p><b>1. Tension</b>  2. Reduction of Tension  3. Search Behaviour  4. Unsatisfied need</p>	4
17	<p>Virendra works in an organisation. He is part of the organisation for last 20 years. During all these years inspite of his best performance in the organisation he hasn't yet reached the post of</p>	6

	<p>vice president. performance Identify the Maslow's needs applicable in the case of organisational set up:</p> <p><b>a. Esteem need.</b>  b. Affiliation need.  c. Basic physiological need.  d. Self actualisation need.</p>	
18	<p>In a renowned hospital having 300 beds, the CEO of the hospital congratulates the exceptionally performing employees by meeting in person. Sometimes the name of the employee of the month is displayed on the notice board at the main entrance along with his/her photograph. Recently the company went a step ahead and distributed T-shirts to the employees who have been among the top 3 performers. On the Employee Day every year employees who contribute a lot are either rewarded or awarded.</p> <p>Which type of non-financial incentive is this</p> <p><b>a. Job enrichment.</b>  <b>b. Employee recognition</b>  c. Job security  <b>d. Employee participation</b></p>	6
19	<p>What will be the corrective action for defective machinery?</p> <p>(a) Sell at the book value  (b) Sell at a loss  (c) Sell at a profit  <b>(d) Repair or Replace the machine</b></p>	1
20	<p>Planning without controlling is _____</p> <p>(a) Cheap  (b) Effective  (c) <b>Meaningless</b>  (d) Costly</p>	1
21	<p><b>Answer:</b>  The various characteristics of management involved here are:</p> <p>1. <b>Goal Oriented.</b> The main motive is to tell the employees to keep the target of 20% increase in sales as the main objective when they work throughout the year.</p> <p>2. <b>Multidimensional.</b> Various plans are made to harness the potential of the employees and streamline the processes.</p>	3

	<p>Employees—People, and Streamline the process—Operations.</p> <p>3. <b>Dynamic.</b> However, with the passage of a few days the external business environment checks the capability of the organisation to adapt to the situations.</p>	
22	<p><b>Answer:</b></p> <p>The technique of management which is followed here is <b>Standardisation</b> (Each bulb which is manufactured is of standard size and quality) and <b>Simplification</b> (Further if there is any unrequired type of bulb manufactured then its production is stopped).</p> <p>The principle of management which is followed here is <b>Scalar Chain</b>. However he finds that his company's policies only allow him to give the message to his immediate boss who will further pass this message to his boss.</p> <p>The option which is now available to Suresh is the use of <b>Gang Plank</b> as this is an emergency situation. Suresh knows that this information should be given immediately to the production department.</p> <p style="text-align: center;">OR</p> <p>Identify the three principles of Fayol violated in the above</p> <p><b>Answer:</b></p> <p>In the first paragraph of the case the principle of Fayol which is violated is '<b>Division of Work</b>'. In the second paragraph of the case the principle of Fayol which is violated is '<b>Discipline</b>'.</p> <p>In the third paragraph of the case the principle of Fayol which is violated is '<b>Subordination of individual interests to general interests</b>'.</p>	3
23	<p>1. Identify the three advantages of delegation highlighted above.</p> <p>The three advantages of delegation indicated above are:</p> <ul style="list-style-type: none"> <li>○ <b>It helps in facilitation of growth.</b> With the help of proper delegation it has enabled the existence of proper workforce to take up leading positions in several challenging projects.</li> <li>○ <b>It acts as the basis of management hierarchy.</b> Due to proper delegation the relationships between the superiors and the subordinates are properly defined at various levels leading to creation of a strong management structure.</li> </ul>	3

	<ul style="list-style-type: none"> <li>○ <b>It helps in better coordination.</b> Due to proper delegation there is no overlapping of duties and duplication of efforts as there is clarity of working relationships</li> </ul> <p style="text-align: center;">OR</p> <p style="text-align: center;">Which importance of organizing has been highlighted in the above case?</p> <p style="text-align: center;"><b>Answer:</b></p> <p style="text-align: center;">The importance of organizing highlighted in the above case:</p> <ol style="list-style-type: none"> <li>1. Benefits of specialisation. Workers are given their respective jobs clearly which leads to gaining of experience since they do their respective jobs on a regular basis leading to high productivity.</li> <li>2. Clarity of working relationships. There is no doubt in the lines of communication and everyone knows who has to report to whom.</li> <li>3. Development of personnel. When managers delegate work to their subordinates they set themselves free from routine jobs and this leads to great amount of learning for the subordinates in practical situations</li> </ol>	
24	<p>State three merits of external sources of recruitment</p> <ol style="list-style-type: none"> <li>1. External sources provide fresh talent from outside.</li> <li>2. Organisation gets a wider choice to choose from.</li> <li>3. Spirit of competition increases as fresh talent enters an organisation creating intense competition for all the employees.</li> <li>4. Organisation can have access to more qualified personnel.</li> </ol>	3
25	<p>Which features of Business Environment have been highlighted in the above case? Identify the lines which highlight these features.</p> <p><b>Answer:</b></p> <p><b>The various features of Business Environment which are highlighted in the above case are:</b></p> <ol style="list-style-type: none"> <li>1. <b>Complexity.</b> It was realised by the company that the Business Environment of Delhi was very hard to understand unless and until it was divided into different business dimensions like legal, political, economic, social</li> </ol>	4



	<p>and technological conditions. As we can see it is very difficult to understand the business environment unless it is broken into its dimensions.</p> <ol style="list-style-type: none"> <li>2. <b>Interrelatedness.</b> After understanding the business situations the company started to study the close links between different elements of the Business Environment.</li> <li>3. <b>Relativity.</b> Later they realised that the products they were selling in Delhi were more fit for the European culture and decided to start a new branch in Belgium where the demand of their products was very high from the first day.</li> <li>4. <b>Dynamic nature.</b> The reason for its success in different countries was the adaptability it showed in meeting the changing environment.</li> </ol> <p style="text-align: center;">OR</p> <p>Identify and explain the dimensions of business environment in the following cases:</p> <p>Answer</p> <ol style="list-style-type: none"> <li>1. Legal Environment.</li> <li>2. Political Environment</li> <li>3. Social Environment</li> <li>4. Social Environment</li> </ol>	
26	<p>In the above case identify the various features of planning highlighted.</p> <p><b>Answer:</b></p> <p>The features of planning highlighted above are:</p> <ol style="list-style-type: none"> <li>1. <b>Planning is a primary function of management.</b> According to the owner of the company their plans are the basic structures upon which other important functions of management rest.</li> <li>2. <b>Planning is pervasive.</b> The top management ensures that the plans are communicated and implemented at all levels and in all departments.</li> <li>3. <b>Planning is continuous.</b> They prepare plans for short term as well as long term where it can be seen that throughout the year the plans are prepared one after the other.</li> </ol>	4

	<p>4. <b>Planning focuses on achieving objectives.</b> Goals are specific and the activities to achieve these specific goals are undertaken.</p> <p style="text-align: center;">OR</p> <p>Identify any four steps in the planning process which have been applied by the organisation in the above case?</p> <p style="text-align: center;"><b>Answer:</b></p> <p>In the above case the steps of planning which are applied are:</p> <ol style="list-style-type: none"> <li>1. <b>Setting Objectives.</b> The first step taken by the firm is to set targets for the three months duration for selling maximum number of shoes in the market which they set as 2,50,000.</li> <li>2. <b>Identifying alternative courses of action.</b> They decide to chalk out alternative plans so that they can arrive at the best possible plan.</li> <li>3. <b>Evaluating the different courses of action.</b> To remove doubts it goes for selecting the plan which can be considered as the most profitable.</li> <li>4. <b>Selection of the best plan.</b> The best plan is finalised.</li> <li>5. <b>Implementation of the plan.</b> Ultimately it is put into action.</li> </ol>	
27	<p>Identify the concept used by Samir Gupta through which he was able to steer his company to greater heights.</p> <p>1. Also explain any three points of importance of this concept.</p> <p><b>Answer:</b></p> <ol style="list-style-type: none"> <li>1. Concept used—Decentralisation</li> <li>2. Importance of Decentralisation: <ul style="list-style-type: none"> <li>○ <b>Reduces the burden of top management:</b> A decentralized structure lays emphasis on the delegation of authority at all levels. This relieves the top management of routine and time-consuming tasks. Decentralisation reduces the burden of top executives and provides them enough time to concentrate on other important functions.</li> <li>○ <b>Develops initiative among subordinates:</b> Decentralization creates self-confidence amongst the subordinates. This is because when lower managerial levels are given freedom to take their own decisions, they learn to depend on their own judgement.</li> </ul> </li> </ol>	4

	<p>It works as an initiative and helps to promote creativity in them.</p> <ul style="list-style-type: none"> <li>○ <b>Develops managerial talent for the future:</b> As a result of decentralization, employees get more opportunities to develop new skills. It makes them better future managers.</li> <li>○ <b>Prompt decisions:</b> Decentralisation provides more freedom to lower level managers to take their own decisions. There is no more need to get approval from higher level. It helps in quicker and better decision-making.</li> </ul>	
28	<p>Which function of management doesn't seem to be working well for the company in the above case?</p> <p>Identify any three benefits, associated with the proper utilisation of this function, the company would have enjoyed if everything had worked in its favour.</p> <p><b>Answer:</b></p> <p>The function of management which doesn't seem to be working well for the organisation is <b>'Staffing'.</b></p> <p><b>The benefits of staffing highlighted above are:</b></p> <ol style="list-style-type: none"> <li>1. <b>Competent Personnel.</b> Recently it was found by the management that the employees who were working in the organisation were lethargic with limited skills.</li> <li>2. <b>Right person for right job.</b> When a proper analysis of job positions and their occupants was done it was found that many of them were not working at places suitable to them.</li> <li>3. <b>Succession Planning.</b> The organisation had already spent five decades in the industry and was worried about the successful continuation of business which required able future managers but the current employees were not much capable.</li> <li>4. <b>Optimum utilisation of human resources.</b> To add to its problems the number of employees were more than required, so the company had to bear additional cost.</li> <li>5. <b>Improves job satisfaction and morale of the employees.</b> This came true for the company when there was some negative reporting about its HR practices in a daily newspaper where it was mentioned that the employees were not satisfied and suffered with low morale.</li> </ol>	4

29	<p>Identify the importance of directing highlighted in the above case.</p> <p><b>Answer:</b></p> <p><b>The importance of directing highlighted in the above case are:</b></p> <ol style="list-style-type: none"> <li>1. <b>Directing helps in initiating action.</b> He has helped the starting of various halted projects by guiding his subordinates and removing their doubts through proper directing.</li> <li>2. <b>Directing helps in integrating efforts.</b> So he guides his team in such a manner that every single effort of every single employee matters and is directed towards the achievement of objectives.</li> <li>3. <b>Directing helps in bringing stability and balance in the organisation.</b> This has helped him bring cooperation and commitment among his team members thus bringing a unique balance between activities and the group.</li> <li>4. <b>Directing helps in introducing changes.</b> Whenever the subordinates have resisted any change he has tried to bring their cooperation by proper explanations and consistent efforts.</li> </ol>	4
30	Explain the concepts of Management by exception and Critical Point Control	4
31	<p>Explain any four limitations of Planning</p> <p style="text-align: center;">OR</p> <p>Explain the last four steps in Planning process</p>	6
32	Distinguish between Functional Structure and Divisional Structure	6
33	<p>A company manufactures very sophisticated switch gears used in automatic cars. For this the company uses hi-tech machines. Most of the times the workers of the factory remain idle because of lack of knowledge regarding the use of these hi-tech machines. The frequent visits by the engineers and constant supervision of the foreman results into high overhead charges. Explain the way by which this problem can be overcome. Also state how this helps the employees.</p> <p><b>Answer:</b></p> <p>The problem faced by the firm can be solved by providing training to the employees (factory worker in this case).</p> <p><b>Benefits of training to employees:</b></p> <ol style="list-style-type: none"> <li>1. Training increases satisfaction and morale of the employees.</li> <li>2. Training makes the employees more efficient, hence chances of accidents are reduced.</li> </ol>	6

	<p>3. Training helps the employees to earn more due to improved performance.</p> <p>4. Training helps in promotion and career growth due to improved skills and knowledge.</p>	
34	<p>In the above case which measures of communicative effectiveness have been adopted by Mr. Sikka? Identify and explain(any 4)</p> <p><b>Answer:</b>  <b>The measures of communicative effectiveness which have been adopted by Mr. Sikka are:</b></p> <ol style="list-style-type: none"> <li>1. <b>He communicates for present as well as future.</b> He always maintains what he says, focuses on future goals of the organisation and never goes against his commitments.</li> <li>2. <b>After communication he ensures proper feedback.</b> When he once delivers the message he always checks whether his team is able to understand the concept he is trying to communicate and he does it through proper questioning.</li> <li>3. <b>He consults others before communicating.</b> Whenever he is about to make a speech he consults his team members for developing a plan of communication by their participation and involvement.</li> <li>4. <b>He conveys things of help and value to his listeners.</b> He always says that whatever is useless should be rejected and whatever is useful should be accepted. His purpose of speaking is to help others.</li> <li>5. <b>He is always aware of the language, tone and content of the message.</b> He believes that a speech should be such which takes into consideration interests and needs of the listeners.</li> </ol>	6