



INDIAN SCHOOL AL WADI AL KABIR

Class: XII	Department: Commerce
Worksheet: 01	BUSINESS STUDIES
Topic- OTQs and DTQs	Chapter 2 – PRINCIPLES OF MANAGEMENT

Q.NO	PART 1- OBJECTIVE TYPE QUESTIONS/MCQs
1	<p>Read the following statements carefully:</p> <p>Statement- I – According to Fayol, “Employee turnover should not be a concern for maintaining organisational efficiency.</p> <p>Statement- II - Recruitment, selection and training cost will be high. So, stability in tenure of personnel is good for the business.</p> <p>In the light of given statements, choose the correct alternative from the following:</p> <ol style="list-style-type: none">Statement I is true and Statement II is false.Statement I is false and Statement II is true.Both Statement I and II are trueBoth Statement I and II are false
2	<p>Assertion (A): Under Taylor's Differential Piece Wage System, an efficient worker producing 11 units at ₹ 50 per unit earns ₹ 550 per day, while an inefficient worker producing 9 units at ₹ 40 per unit earns only ₹ 360 per day — a difference of ₹ 190.</p> <p>Reason (R): Taylor introduced different rates of wage payment for workers performing above standard and below standard because he believed that efficiency is the result of the joint efforts of managers and workers, and a compensation system must differentiate between those who accomplish and those who fail to accomplish the fair day's work.</p> <p>Alternatives:</p> <ol style="list-style-type: none">Both Assertion (A) and Reason (R) are true.Both Assertion (A) and Reason (R) are false.Both Assertion (A) and Reason (R) are true, but Reason (R) is not the correct explanation of the Assertion.Both Assertion (A) and Reason (R) are true, and Reason (R) is the correct explanation of the Assertion.
3	<p>Which of the following statements regarding Principles of Management and Evolution of Management Thought are correct?</p> <p>(I) A managerial principle is a narrow and specific rule for decision-making that provides readymade solutions to all managerial problems.</p> <p>(II) Management principles are not as rigid as principles of pure science because they deal with human behaviour which is never static.</p> <p>(III) Modern Management sees organisations as complex systems and underlies the contingency approach and use of modern techniques to solve organisational and human problems.</p> <p>Statement II and III are correct</p>
4	<p>Choose the correct statement based on the image given below</p>



- a. The concept shown in the image is Principle of equity.
- b. The image depicts a group of employees joining hands together, reflecting the management principle discipline.
- c. The image depicts the management principle Esprit de corps.
- d. Subordination of individual interest to common good is the principle depicted through the picture.

5 Match the features of principles of management explained in column I with the given features in column II

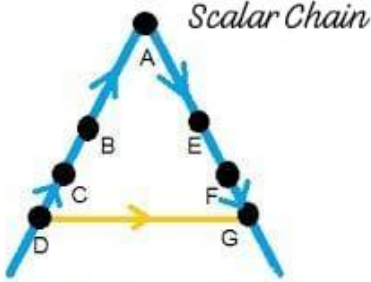
	COLUMN I		COLUMN II
A	The principles of management are intended to apply to all types of organisations — business as well as non-business, small as well as large. Which nature of management principles does this statement reflect?	i	Ans. General Guideline
B	Management principles do not provide readymade, straitjacket solutions to all managerial problems. Which nature of management principles does this highlight?	ii	Ans. Flexible
C	The degree of centralisation or decentralisation of authority will depend upon the situations and circumstances of each enterprise. Name the nature of management principles reflected here.	iii	Ans. Formed by Practice and Experimentation
D	The application of management principles is dependent upon the prevailing situation at a particular point of time. Name this nature of management principles.	iv	Universal Applicability.
E	Management principles are formed by experience and collective wisdom of managers as well as experimentation. Name this nature of management principles.	v	Ans. Contingent

Choose the correct option from the following:

- a) A-v, B-iv, C-iii, D-ii, E- i
- b) A-iv, B-i, C-ii, D-v, E-iii
- c) A-iv, B-ii, C-i, D-v, E-iii
- d) A-iii B-i, C-v, D-ii, E-iv

6 Ashok Industries Ltd. is a company manufacturing components for automobile industries. In this company, standards have been set for every manufacturing activity including standardisation of process, raw material, time, product, machinery and methods which must be adhered to during production. This has been done to bring excellence in quality of the

	<p>materials produced. The foreman of the company, Mehra, has designed the jobs of the workers in such a manner that unnecessary movements are eliminated and it takes less time to complete the jobs efficiently. He has also scientifically analysed the duration and frequency of rest intervals that should be provided to the workers in the factory so that they can regain stamina and work efficiently. Out of the following, which technique of scientific management has not been discussed in the above paragraph?</p> <p>(A) Fatigue study (B) Method study (C) Motion study (D) Standardisation and simplification</p>
7	<p>Read the following carefully and answer the question:</p> <p>Over decades of managing large industrial enterprises, Henri Fayol observed that whenever workers and managers failed to honour their commitments — such as the agreements made between labour unions and management — the organisation suffered from chaos, low morale, and poor productivity. Similarly, F.W. Taylor, through his long years of working on factory floors at Midvale Steel Company and Bethlehem Steel Company, repeatedly found that maintaining orderly conduct and adherence to agreed norms was indispensable for accomplishing any organisational purpose. This understanding did not emerge overnight — it was the result of years of observation, managerial experience, and repeated experimentation across different industrial settings, which eventually gave rise to the principle of Discipline as a universal guideline for management.</p> <p>The nature of principles of management reflected in the above statement is —</p> <p>a) Contingent b) Formed by practice and experimentation c) Universal applicability d) Cause and effect relationship</p>
8	<p>Which principle of Fayol states that there should be a clear and fair agreement between employees and employers?</p>
9	<p>The purpose of the principle of 'unity of command' is that:</p> <p>(A) It avoids dual subordination. (B) It subordinates individual interests to organizational interests. (C) It promotes a team spirit of unity and harmony among employees. (D) It concentrates decision-making authority at the top level.</p>
10	<p>The management should not close its ears to any constructive suggestions made by the employees but reward them for their suggestions which results in substantial reduction in costs. Which principle of scientific management is discussed in the above statement?</p> <p>(A) Science, Not Rule of Thumb (B) Harmony, Not Discord (C) Cooperation, Not Individualism (D) Development of Each and Every Person to His or Her Greatest Efficiency and Prosperity</p>
11	<p>The principles of management do not provide readymade solutions to all managerial problems as real business situations are very complex and dynamic and are a result of many factors.' This statement highlights which of the following features of principles of management:</p> <p>(A) General guidelines (B) Flexible (C) Contingent</p>

	(D) Mainly behavioural.
12	<p>Study the diagram of Fayol's Scalar Chain given below and answer the question:</p>  <p><i>(Refer to the scalar chain diagram showing two lines of authority under A: B-C-D and E, F and G with a dotted line between D and G)</i></p> <p>If 'D' needs to communicate with 'G' in a situation of emergency, which of the following statements is correct?</p> <p>(a) D must compulsorily follow the route D→C→B→A→E→F→G as scalar chain cannot be violated under any circumstances including emergencies</p> <p>(b) D can directly communicate with G through the Gang Plank, bypassing the scalar chain, only in emergency situations to avoid communication delay</p> <p>(c) D can directly communicate with G through the Gang Plank at any time without any restriction as scalar chain is not mandatory.</p> <p>(d) D must wait for A's permission before using the Gang Plank even in emergency situations.</p>
13	<p>“Gang boss, inspector, repair boss, route clerk” are components of which technique? a)</p> <p>Motion Study</p> <p>b) Standardisation</p> <p>c) Functional foremanship</p> <p>d) Method Study</p>
14	<p>Identify the principles of management discussed in each statement.</p> <p>a. In business work can be performed more efficiently if it is divided into specialised tasks; each performed by a specialist or trained employee –</p> <p>b. An organisation should build safeguards against abuse of managerial power. At the same time a manager should have necessary authority to carry out his responsibility.</p> <p>c. Each group of activities having the same objective must have one head and one plan.</p> <p>d. There should be no discrimination against anyone on account of gender, religion, language, caste, belief or nationality etc.</p>
15.	<p>Orbit Electronics Ltd. was losing customers because of frequent product defects in its output. The management decided to adopt a data-driven quality improvement approach with a strict standard of not more than 3–4 defects per million opportunities. They also began studying each production step to identify and cut out activities that added cost but not value.</p> <p>Identify the two modern production techniques being applied by Orbit Electronics Ltd.</p>
	PART – B Descriptive Type/ Case Based Questions.
1	<p>Ratan Tata Forgings Ltd. is a medium-sized manufacturing unit producing precision engine components. The Plant Superintendent, Mr. Hargovind Sharma, noticed that the production targets were consistently being missed. Workers often complained of receiving unclear instructions, machines frequently broke down due to improper handling, and quality defects were piling up. The root cause was simple — a single foreman, Mr. Bholu Ram, was expected to handle everything: giving work instructions, checking quality, managing machine repairs, maintaining discipline, and tracking time and costs — all at once. He was perpetually overwhelmed, and no single area received adequate attention.</p>

	Identify and explain any two techniques of scientific management used by Sandhya to solve the problem.
6	<p>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.</p> <p>Identify and explain any two techniques of scientific management and two principles of general management adopted by Abhishek.</p>
7	<p>Nikita and Salman completed their MBA and started working in a multinational company at the same level. Both of them worked hard and were happy with their employer. Salman had the habit of back-biting 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 to be better than Salman. Even then their boss, Mohammed Sharif, decided to promote Salman stating that being a female, Nikita would not be able to handle the complications of a higher post.</p> <p>Identify and explain the principle of management which was not followed by this, multinational company.</p>
8	<p>Pawan is working as a Production Manager in CFL Ltd. which manufactures CFL bulbs. There is no class-conflict between the management and workers. The working conditions are very good. The company is earning huge profits. As a policy, the management shares the profits earned with the workers because they believe in the prosperity of the employees.</p> <ol style="list-style-type: none"> State and explain the principle of management described in the above paragraph. Explain any other three principles of management of which one based on the return given to the workers.
9	<p>Ravi runs a courier delivery business in Delhi. All delivery agents are required to wear company uniforms, carry their identity cards while on duty, and are strictly prohibited from consuming alcohol during working hours. Agents work in teams of 20, each led by a senior agent, and these teams coordinate with each other to ensure timely delivery across zones.</p> <p>State and explain any one principle of management given by Fayol and one characteristic of management highlighted in the above case.</p>
10	<p>Direct descriptive type question. (CBSE)</p> <ol style="list-style-type: none"> Explain any two techniques of Scientific Management from the following: <ol style="list-style-type: none"> Method study Motion study Time study Differentiate between Unity of Command and Unity of Direction on any three basis. <p>OR</p> <ol style="list-style-type: none"> Explain any two principles of Fayol from the following: <ol style="list-style-type: none"> Discipline Order Initiative Differentiate between contributions made by F.W.Taylor and Henry Fayol on any three basis.
11	<p>Zenith Furniture Ltd. is a mid-sized company manufacturing office furniture. Lately, the company has been facing several internal issues. The Finance Manager and the HR Manager are both giving instructions to the accounts staff regarding their daily tasks, leading to</p>

	<p>confusion. The management has also noticed that junior employees are hesitant to escalate urgent issues directly to the Managing Director, causing delays in decision-making. Additionally, frequent conflicts between departments have created a negative work atmosphere, with employees lacking motivation and team spirit.</p> <p>Identify and explain the three principles of Henri Fayol that can help to resolve the problems faced by Zenith Furniture Ltd.</p>
12	<p>Sunshine Bakery, a popular bakery chain in Pune, suffered significant losses during a period of economic slowdown. The management requested its workers to work additional hours without extra pay to help the business recover, promising to revise their salaries and offer incentives once the situation is improved. The workers agreed and put in sincere efforts. Within two months, the bakery returned to profitability. True to its word, the management increased the salaries of all workers and also distributed a performance bonus.</p> <p>Identify and explain the principle of management followed by Sunshine Bakery.</p>
13	<p>Neeraj is selected for the post of a software developer in an IT Company. On the first day of his joining Mehul, his project manager tells Neeraj that during the course of his work he will come across many such opportunities which may tempt him to misuse his powers for individual or family's benefit at the cost of larger general interest of the company. In such situations, he should rather exhibit exemplary behaviour as it will raise his stature in the eyes of the company. Also, for interacting with anyone in the company on official matters, he should adopt the formal chain of authority and communication. However, in case of emergency he can use the exceptions as provided by Henry Fayol In context of the above case:</p> <p>a. Identify and explain the various principles of management that Mehul is advising Neeraj to follow while doing his job.</p> <p>b. Identify and explain the exception referred here.</p>
14	<p>Study Buddy Pvt. Ltd. is a company dealing in stationery items. In order to establish standards of excellence and quality in materials and in the performance of men and machines, the company adheres to benchmarks during production. Moreover, its products are available in limited varieties, sizes and dimensions thereby eliminating superfluous diversity of products. Identify the technique of scientific management which has been adopted by „Study Buddy Pvt. Ltd.</p>
15	<p>Explain any four modern management techniques.</p>