



ಜಿಲ್ಲಾಡಳಿತ
ಮತ್ತು
ಪದವಿಪೂರ್ವ ಶಿಕ್ಷಣ ಇಲಾಖೆ
ಚಿಕ್ಕಬಳ್ಳಾಪುರ ಜಿಲ್ಲೆ

ಸುಲಲಿತ

ದ್ವಿತೀಯ ಪಿಯುಸಿ ವಾರ್ಷಿಕ ಪರೀಕ್ಷೆಗೆ
ಸರಳ ಅಭ್ಯಾಸ ಕೈಪಿಡಿ

BUSINESS STUDIES

ಸಹಕಾರ:

ಚಿಕ್ಕಬಳ್ಳಾಪುರ ಜಿಲ್ಲಾ ಪದವಿಪೂರ್ವ ಕಾಲೇಜು
ಪ್ರಾಂಶುಪಾಲರ ಮತ್ತು ಉಪನ್ಯಾಸಕರ ಸಂಘ.

Chapter-1

Nature And Significance of Management

Marks : 1-1, 2-1, 4-1, 8-1=15

SECTION - A

I One mark questions:

1. What is a efficiency?
A Efficiency means doing the task correctly & with minimum cost.

2. Management is a)an art b)a science
c)both art & science d)none of the above
A b) both art & science

3. Which of the following is not a feature of management?
a)planning b)staffing
c)co-operative d)controlling
A c)Co-operating

4. State any one economic objective of management?
A Servival in the / profit earning / achieving growth.

5. What is effectiveness concerned with?
A It is concerned with end result of management.

6. Policy formulation is the function of:-
a)Top level management b)Middle level management
c)Operational management d)All of the above
A a)Top level management

7. Which of the following is not a function of management?
a)planning b)staffing
c)co-operative d)controlling
A c)Co-operative

8. Name any one dimention of management?
A a)Management of work b)Management of people

9. Name any one feature of management?
A Management is a group activity.

10. Give one example for lower level management position.

A Supervisor / Foreman.

SECTION - B

II Two mark questions:

1. Define management?

A According to Harold Koontz & Heinz Weihrich `Management is the process of designing & maintaining an environment in which individual, working together in groups, efficiently accomplish selected aims`.

2. Define co-ordination?

A According to Mc Farland `Co-ordination is the process where by an executive develops an orderly patterns of group efforts among his subordinates and secures of action in the pursuit of common purpose.

3. Name any two organisational objectives of management.

A a)Survival b)Profit c)grouth

4. State any two level of management.

A a)Top-level management
b)Middle level management

5. Give the meaning of management OR What is management?

A Management is the art of getting things done through and with the help of other in order to achieve the specific organisational objectives.

6. Justify the Importance of co-ordination by any two factors.

A a)Growth in size:- For organisational efficiency, it is important to harmonise individual goals and organisational goals through co-ordination.

b)Specialisation:-Some co-ordination is required by an independent person to reconcile the difference in approach, interest or opinion of the specialist.

7. State any two functions of management.

A a)Planning b)Organisation c)Staffing

8. State any two importance of management.

A a)Management helps in achieving group goals.

b)Management helps in achieving personal

9. State any two objectives of management.

A a)organisational objectives b)social objectives c)personal objectives

10. State any two features of management.

A a)management is continuous process

b)management is all pervasive.

SECTION - C

III Four mark questions:

1. State importance of management with any four points.

- A
- a) Management helps in achieving group goal.
 - b) Management increases efficiency.
 - c) Management creates a dynamic organisations
 - d) Management helps in achieving personal objectives
 - e) Management helps in development of society

2. Is management a science ? prove.

A Science is a systematized body of knowledge that explain certain general truth or operation of general laws.

The basic features of science are as follows:

- * It is a systematized body of knowledge
- * Principles based on experimentation.
- * Universal validity

Based on above features are say management has some features of science.

* Management has a systematized body of Knowledge. It has its own theory & principles that have developed over a period of time.

* as management deals with human beings & human behaviour, the out comes of these experiment are not capable of being accurately predicted therefore management can be callad an inexact science.

* Principles of management are not as exact as princilpes of science, their application & use is not universal. They have to be modified according to given situation.

Therefore use can conclude management is science.

3. Explain the objective of management.

The main objectives of management are as follow

1)Organisational objectives:-The main objectives of any organisation is to utilize human and material resources to the maximum possible advantage.

They are (a)Survival (b)Profit (c)Growth

2)Social objectives:-As a part of society every organisation has to fulfill certain obligations towards society like protecting the environment giving employment opportunities.

3)Personal objectives:-Personal objectives are concerned with employed of organisation. The management has to satisfy the diverse needs of the employees.

4. Management is an Art : Elucidate.

Management is an art, it personalise the application of general theoreticle

a)Practicle knowledge:- A manager should have the knowledge of practicle application of various theoretical principles in functioning.

b)Personalised application:- Like an artist, every manager has his own way of managing the things depending upon his knowledge & experience.

c)Based on practice & creativity:- Like any art management involves the creative practice of existing theoretical knowledge.

d)Goal Oriented:- Like any other art management is also directed towards completion of the predetermined goals , Therefore we can conclude management is an art.

5. Give any four grounds to say management is important.

A Four important of management are:

a)Management helps in achiving group goals:

Management is required not for itself but for achiving the goals of the organisation.

b)Management increase efficiency:

The aim of manager is to reduce coast and increase productivity through better planning, organising, directly staffing & controlling the activities of organisation.

c)Management helps in achieving personal objectives:

A manager motivates & leads his team in such a manner that individual members are able to achieve personal goals while contributing to the over all organisation objectives.

SECTION - D

IV EIGHT marks questions:

1. Management is a series of continues inter related functions - comment

Management is discribed as the process of planning, organising, directly and controlling the efforts of organisational members and of using organisational resources to achieve specific goals.

a) Planning:- is the function of determing is advance what is to be done and who is to do it this implies setting goals in advance & developing a way of achieving them efficiently and effectively.

b) Organising:- It is the process of bringing together physical, financial and human resources.

c)Staffing:- It is the function of meaning the organisation structure the main purpose of staffing is to put right person on right job.

d) Directing:- That part of managerial function which activates the organisational methods to work efficiently for the achievement of organisation objectives is called directing. It consist of supervision, motivation, leadership and communication.

e) Controlling:- It implies measurement of actual performance against the standards set & corrections of deviation.

This is order to achieve the objectives of the organisation, starting from planning till controlling management has to perform a series of continuous inter related functions.

2. Explain the characteristics of management?

Management is a process of getting things done with aim of achieving goals effectively and efficiently.

a) Management is a goal oriented process:- An organisation has a set of basic goals which are the basic reason for its existence. These should be simple and clearly stated.

b) Management is all pervasive:- The activities involved in managing an enterprises are common to all organisations whether economic, social or political.

c) Management is multi-dimensional:- management, is a complex activity that has three dimensions they are.

1) Management of resources.

2) Management of people.

3) Management of operations.

d) Management is a continuous process.

Management is a continuous process consisting of series of functions such as planning, organising, staffing, directing & controlling.

e) Management is a group activity:-

Management is a group effort all the managers and their subordinate work as a group in order to achieve the objectives of organisation.

f) Management is a dynamic function:-

Management adjusts itself to the changing environment.

g) Management is Intangible force:-

Management is intangible force that cannot be seen but its presence can be felt in terms of increased production, wealth creation etc.

3. What is co-ordination? Explain the characteristics of co-ordination.

Co-ordination is the process by which a manager synchronises the activities of different departments to bring unity of action in order to achieve the goals of the organisation following are the features of co-ordination.

a) Co-ordination integrates group efforts:-

Co-ordination unifies diverse interests of employees and gives a common force to group effort. It ensures that performance is as it was planned.

b) Co-ordination ensures unity of action:-

Co-ordination acts as the binding force between departments and ensures unity of action to achieve the goals of the organisation.

c)Co-ordination is a continuous process:-

Co-ordination is a continuous process it begins at the planning stage and continuous till controlling.

d)Co-ordination is all pervasive function:-

Co-ordination is required at all level of management it integrates the efforts of different departments & different levels.

e)Co-ordination is the responsibility of all manager:-

Co-ordination is the function of every manager is the organisation.

f)Co-ordination is a deliberate function:-

A manager has to Co-ordinate the efforts of different people is a conscious and deliberate manner. These being a part of all management function, Co-ordination is the assence of money.

4. Management is considered to be both an Act & science : Explain OR
Management as an art & science are not mutually exclusive but complement to each other excludate.

A Management is considered to be both a science and an art they are not mutually exclusive but complement to each other.
The following explanation justifies this point.

Management as an Art:-

Art is the skillful & personal application of existing knowledge to achieve desired result management is said to be an art & science it has the following features of an art.

a)Existence of theoretical knowledge:-

Like any other art, in management there is existence of theoretical knowledge.

b)Personalised applications:-

Like an artist, every manager has his own way of managing the things depending upon his knowledge and experience.

c)Based on Practice and creativity:-

Like any art management involves the creative practice of existing theoretical knowledge.

d)Goal oriented:-

Like any other art management is also directed to wards completion of the pre-determined goals.

Management as a science:-

Science is a systematic body of knowledge management is considered to be science since it has the following features of science.

a)Systematized body of knowledge:-

Like science management has a systematized body of knowledge it has its own theory & principles.

b)Principles based on experimentation:-

Like scientific principles, management principles are also based on repeated experiment and observation in different types of organisation.

c)Universal validity:-

Since management deals with human beings & human behaviour, application and use of management principles are not universal. They have to be modified according to given situation.

d)Cause and effect relationship:-

Like principles of science management principles also establish cause and effect relationship in dealing with various situation in the organisation.

CONCLUSION:

The practice of management is an Art. The practice of manager is based on principles this management is both a science & an art further management as an art and a science are not mutually exclusive but complement each other.

Chapter-2 Principles of Management

Marks : 1-1, 2-2, 4-1=09

PART - A

I One mark questions:

1. Who is called as Father of scientific management?
A F.W.TAYLOR (Fedrisk winslow Taylor)
2. Who is the Father of general management?
A Henry Fayol
3. Principles of management are not.
A (a)Universal (b)Flexible (c)Absolute (d)Behavioural c)Absolute
4. What is Centralisation?
A Centralisation means concentration of decision making power with one or few people in organisation.
5. What is Decentralisation?
A Decentralisation means delegation of power to make decision to lower-level management.
6. Who proposed differential price rate system?
A F.W.Taylor
7. Give the meaning of terms Authority?
A Authority means power to commoned other to get the desired work.
8. When is Gang plank used?
A Gang plank is used in case of Emergency.
9. What is scalar chain?
A Scalar chain is a formal line of authurity from highest to the lower rank in organisation.
10. What is unity of command?
A Unity of command means in formal organisation every individual employee should receive orders from one superior only. Every individual should have only one boss.
11. What is unity of Direction?
A Unity of direction means each group of activities having the same objectives must have one head & one plan to ensure co-ordination.
12. Which of the followinf statement best describes principles of division of work?
A a)work should be divided in to small tasks. b)labour should be divided
c)resources should be divided among Jobs d)it leads to specalisation
a) work should be divided in to small tasks.

13. What is responsibility?

A Responsibility means completing the works assigned to the person.

14. State any one characteristic of principle of management?

A Management principles are universally applicable.

PART - B

II TWO marks questions:

1. State any two differences unity of command and unity of direction.

A Unity of command

Unity of direction

1) One subordinate shall receive
order from one superior

1) activities having some objectives to
have one plan

2) It prevents dual subordinate

2) it prevents overlapping

2. What is Gang plank?

A Gang plank is formal communication route, where employees at same level communicate with each other in case of emergency to avoid delay in communication.

3. What is Discipline?

A Discipline means obedience to organisational rules & regulations which are necessary to work in organisation.

4. What is meant by Esprit-de-corps?

A Esprit-de-corps means management should take all necessary steps to promote team spirit of unity and harmony amongst employees.

5. Mention any two principles of management considered by Fayol?

A Division of work, Authority & Responsibility

6. What is mental revolution according to Taylor?

A According to Taylor revolution means complete change in the mindset and attitude of workers and management towards one another from competition to co-operation.

7. State any two principles of scientific management?

A a) Science, not rule of thumb. b) Harmony, not discord

8. What is Fatigue study?

A Fatigue study is concerned with determining the amount & frequency of rest intervals in completing the task.

PART - C

III Four mark questions:

1. Explain the principles of scientific management of F.W. Taylor?

A F.W. Taylor is called father of scientific management his principles of management are as follows.

- a)Science not rule of thumb:- Rule of thumb means estimation based on past experience not based on science, this says to avoid old techniques and do work on new principles making it much simple easier and quick.
- b)Harmony not discord:- This principle says there should be harmonious relationship between workers and management.
- c)Co-operation not individualism:- This suggest that all activities must be done with mutual co-operation taking suggestion from workers while taking decision.
- d)Development of each man to his greater efficiency and property.
This advocates work as location to workers based on their mental capacity to achieve greatest efficiency to both workers and management.
- e)Optimum production:- Scientific management aims at continuous increase in production.

2. Explain the features of Principles of management?

- A
- a)Universel application:- Management principles have universel application at all organisation irrespective of size nature.
 - b) General guide lines:- Principle of management act as basic guideline to managers.
 - c)Formed by practice and experiments:- Management principles are developed though proper observation experiments. They are expressed of deep experiences of various management thinkers.
 - d)Flexibility:- Principles of management are not rigid they are changed according to changing situation hence they are flexible.
 - e)Behavioural in nature:- Management principles aim at influencing human behaviour.
 - f) Causes and effect relationships:- Principles of management establish relationship between causes and effort as they tell us to what would be the result if particular principles applied in a given situation.

3. Describe four aspects of scientific work study developed by Taylor?

- A
- Method study:- The objective of method study is to find out best way of doing the job all activities from begining to end product is studied.
 - Motion study:- Motion study involves the study of movements like lifting putting objects sitting etc. which are under taken while doing typical Job.
 - Time study:- This determines the standard time taken to perform well defined job Time Measuring devices used for each elements of task.
 - Fatigue study:- Fatigue study is conducted to determine the amount and frequency of rest interval in completing task.

4. Explain any five Fayols principles of management?

- A
- a) Division of work:- There various functions of management and work, work should be divided into small jobs, and assigned to specialist to attain efficiency and productivity.
 - b) Authority and responsibility:- Managers require authority commensurate with responsibility there should be balance between work and responsibility.
 - c) Discipline:- Means obeying organisational rules and it is essential for running any organisation, discipline, ensures success & improve productivity.
 - d) Unity of command:- There should be only one boss for every individual employee each employee commanded by one superior and he is responsible for his boss.
 - e) Unity in direction:- It says efforts of all employees should be lead by one leader and directed towards achievement of common objectives.

PART - E

PRACTICE ORIENTED QUESTIONS

V As a general manager list out any ten fayols principles of management.

- 1) Division of work
 - 2) Authority & responsibility
 - 3) Discipline
 - 4) Unity of command
 - 5) Unity of direction
 - 6) Equality
 - 7) Initiative
 - 8) Order
 - 9) Scalar chain principles
 - 10) Remuneration of Employees.
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Chapter - 3
BUSINESS ENVIRONMENT

Marks : 1-1, 2-1, 4-1=07

PART - A

I ONE MARKS QUESTIONS

1. What is business environment?
A Business environment means the some total of all individuals and other forces that are out side the control of business enterprice but may effect performance of business.
2. Which any one following is not dimension of business environment?
a)Economic environment b)Social environment
c)technological environment d)natural environment
A d) Natural environment
3. Which one of the following does not charterize the business environment?
a)uncertinty c)relativity b)Employees d)complexing
A b)Employees
4. Libaralisation means
a)Integration among economics b)reduced Govt. controls & restrictions
c)policy of planed disinvestment d) none of the above
A b)reduced Govt. controls & restrictions
5. Which of the following is example of social environment?
a)Money supply in the economy b)Consumer protection act.
c)the constitution of country d)composition of family
A d)composition of family
6. Which of the following indicate business environment in best manner.
a)Identification b)Improvement in work management
c)Adapting to changing time d)All of the above
A d)All of the above

PART - B

II TWO MARKS QUESTIONS

1. Give the meaning of globalisation?
A Globalisation means the integration of the various economics of the world leading towards the emergency of global economic.
2. What is Privatization?
A Privatization is the process of transfer of ownership and management of public sector of private sector through the process of disinvestment.

3. What is Liberalisation?

A Liberalisation means liberalising domestic business & industrial from all unnecessary controls and restrictions.

4. Expand the following FDI, FIPB.

A FDI- Foreign Direct Investment

FIPB- Foreign Investment Promotion Board

PART - C

III FOUR MARKS QUESTIONS

1. Explain four features of business environment?

A a)Totality of external forces:- It is the sum total of all things external to business firms it is aggregative in nature.

b)Specific general forces:- Business environment includes specific and general forces specific forces are customer, supplies, competition, general forces are social, political, ecological, conditions, specific forces have direct and general forces have indirect effect.

c)Interrelatedness:- Different elements of business environment are closely interrelated.

d)Dynamic nature:- Business environment is dynamic in nature it keeps on changing.

e)Complexity:- Business environment is complex phenomenon it is easy to understand in parts but difficult to generalise in totality.

2. Explain the importance of understanding the business environment.

A A good understanding of business environment helps managers in this manner.

a) It enables the firm to identify opportunity and getting first mover advantages. Understanding business environment enable to identify business opportunities and enable to exploit the same

b) It helps firms to identify and early warning signals.

Environment awareness helps to identify external environment threats and serve as early warning signals.

c) It helps in tapping usefull resourcess:-

Better understanding of business environment enable mannars to identify resources available in environment like finance raw materials etc.

d) It helps in coping with rapid changes

Better understanding of business environment helps to develop suitable causes of action to run business amidst rapid changes in business environment like market forcess change in technology and competition,

e) Help in policy formulation:

Understanding and analysis of business opportunities and threats will assist managers in planning and policy formulation.

3. Explain dimensions (elements) of Business environment?

A Dimensions (elements) of business environment consist of economic, social, technology, political, and legal conditions which are considered relevant for decision making and to improve business enterprise.

a) Economic environment:- Inflation changes in income stock market conditions are few economic factors that can affect management decision in business organisation.

b) Social environment:- It includes social factors like customs, traditions, values, society, expectation, from business etc. which can impact business.

c) Technology environment:- It includes forces relating to science development, and innovations which provide new way of producing goods and create demand for new goods & shift demand due to technological development.

d) Political environment:- It includes political conditions like state government peace in country and others which affect business and its stability.

e) Legal environment:- It includes effect of various laws administrative orders court decisions, that affect business directly or indirectly on doing business.

IV

PART - E

PRACTICE ORIENTED QUESTIONS

Explain the different elements of business environment that influence the success of business enterprise with neat diagram.



CHAPTER - 4 PLANNING

Marks : 1-1, 2-1, 4-1, 8-1=15

SECTION - A

I ONE MARKS QUESTIONS

1. State any one importance of planning?
A Plannings provides direction.
2. Give one example for rule?
A Compulsary wearing of ID cards in office.
3. Which is first step in planning process?
A Setting up the objectives.
4. Give example for single use plan?
A Programmes
5. State management functions that determines objectives of enterpricess?
A Planning
6. State any one type of plan?
A Policies, startegy
7. What is Budget?
A It is a statement of expected results expressed in numerical terms
Ex: Sales budget.
8. Give example of Budget?
A Sales budget, Financial budget
9. Write any one disadvantage of planning?
A a) It involves huge cost. b) It is time consuming process
10. Give one example of policy?
A a)Pricing policy b)Recuritment policy
11. Which of the following is an example for single use plan?
a)policy b)budget c)Procedure d)method
A b)budget

SECTION - B

II TWO MARKS QUESTIONS

1. Give the meaning of programme:
A Programme are detailed statement about project which outlines the objectives, policies, procedure, rules, tasks human and physical resources required and the budget to implement any course of action.

2. Write two limitations of planning.
A a)Planning leads to rigidity. b)planning involves huge cost.
3. Write two features of planning.
A a)Planning is pervasive. b)Planning is continuous process.'
4. Write two limitations of planning.
A a)Planning leads to rigidity b)Planning involves huge cost
5. What is meant by strategy?
A Strategy is a comprehensive plan for accomplishing course of action which helps to beat the competition.
6. Define Planning?
A Planning is the process of setting objectives for a given time period formulating various course of action to achieve them and then selecting the best possible alternative from among the various course of action available.
7. Write two types of planning?
A a)policies b)methods
8. Write first two steps in planning process.
A a)Setting up of objectives.
b) Developing planning premises
9. Write two importance of planning.
A a)Planning provides direction
b)planning reduces the risk of uncertainly
10. Give two examples for procedure.
A a)Procedure for purchase of materials.
b)Procedure for recruitment of staff.

SECTION - C

III FOUR MARKS QUESTIONS

1. Explain the importance of planning with any four points.
A a)Planning provides direction:- Planning provides direction for action by stating in advance how a work is be done.
b)Planning reduce the risk of uncertainly planning helps business enterprise to predict its future uncertain events and enable the organisation to face these uncertaines in the best possible manner.
c)Planning promotes innovative ideas planning is basically thinking and decision making proces during the process of planning.
d)Planning facilities making:- Planning targets objectives and action provide the manager criteria & guidance for the evaluation of the alternatives.
2. Explain any two types of plans.

A a)Objectives:- Objectives are the desired end result which the management of an organisation seeks to achieve by its operations.

Ex: an organisation may have an objective of increasing sales by 20%.

The objectives should be specific and inmeasurable.

b)Strategy:- Strategy is a comprehensive plan for achieving the objectives of an organisation.

c)Budget:- A budget is a statement of expected result exposed in numerical terms.Ex: Sales budget may forecast the sales of different products.

3. Explain any four limitations of planning.

A a)Planning leads to rigidity:- Planning makes the subordinate managers to work according to plans they cannot change the plans even it the circumstances have changed.

b)Planning reduce creativity:-Planning reduce the creativity of the subordinate managers as they have to just implement the plans given by the manage ments.

c)Planning is a time consuming process:- Planning process is time consuming collection and analysis of the facts and informations section of the best course of action involves much time.

d)Planning involves huge last planning is a costly process huge costs are involves in the formulation of plans.

SECTION - D

IV EIGHT marks questions:

1. What is planning? Explain the process of planning.

A Planning means setting objectives an action plan to achive them.

PLANNING PROCESS

a)Setting up of objectives:- The first step in planning is setting up of objectives the objectives should clearly specify what the organisation wants to achive the objectives are set by the top management.

b)Developing planning premises:- Planning is concerned with accomplishment of objectives in uncertain future. therefore while formulating plans the manager is required to make certain assumption about the future plans should be formulated by the management in the frame work to the planning premises.

c) Identification of alternative course of action:- Once objectives are set and assumption are made then alternative course of action are to be identified to achieve the set objectives.

d)Evaluation of alternative course of action:- After identifying the possible alternative course of action each of the possible course of action has to be evaluated that is the strengh and weakness of each of the possible alternative course of action must be examined.

e)Selecting the best alternatives:- This is the real point of decision making after evaluation the positive and negative aspect of each and every possible course of action.

f)Implementing the plan:- The next step is to implement the selected plan this involves putting the plan into action to achieve goals.

g)Follow up:- Planning process involves follow up action it is necessary to check the progress in the implementation of plans and to note done deviation for taking necessary action.

2. Explain four types of plans:

a)Objectives:- Objectives are the desired and result which the management of an organisation seeks to the achieve by its operations objectives are usually set the top management.

b)Policy:- Policies are general statement that guild thinking of decision makers, they are guides to managerial action and decision in the implementation of strategy. Ex.Sales policy, Price Policy.

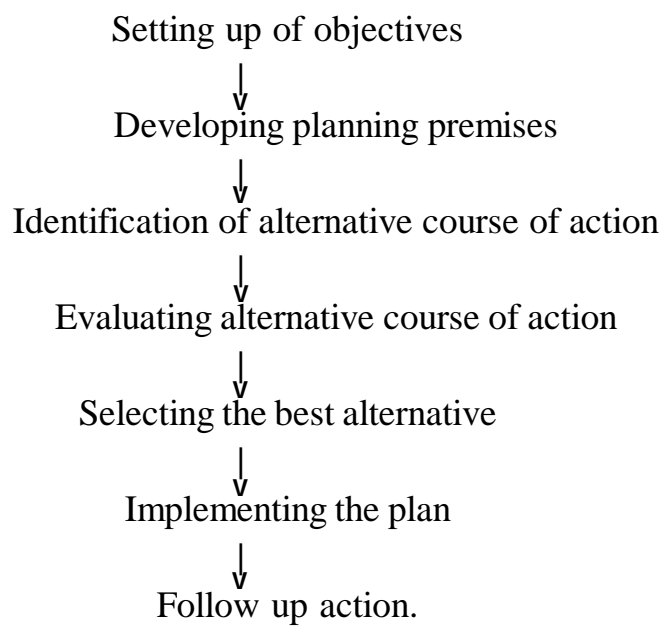
c)Procedure:- Procedure are routine steps on how to carry out activities, they provide details about the exact manner in which any work is to be performed. Ex. a)Procedure for purchase of material.

b)Procedure for recruitment of staff.

d) Method :- Method provides the prescribed ways or manner in which a task has to be performed the method may from task to task.

SECTION - E

V 1. As manager what logical steps you follow in planning process before executing a project.



CHAPTER 5

ORGANISING

Marks : 1-2, 2-1, 4-1, 8-1=16

SECTION - A

I ONE MARKS QUESTIONS

1. Which management function translate the plans into action?
A Organisation
2. What is Organisation structure?
A The Organisation structure is the frame work within which managerial and operating tasks are performed.
3. Which type of organisation structure is suitable for enterprises having large variety of products?
A Divisional structure
4. What is Delegation?
A Delegation is the transfer of authority from superior to subordinate.
5. What is Authority?
A Authority refers to the right of a superior to command his subordinate it arises from formal position of individual.
6. What is responsibility?
A Responsibility is the obligation of a subordinate to properly perform the assigned duty.
7. Can accountability be delegated?
A Accountability cannot be delegated.
8. When can one say that an organisation is centralised?
A An organisation is centralised when decision making authority is retained by top level management.
9. What is Decentralisation?
A Decentralisation is delegation of authority throughout the organisation.
10. Which of the following is not an element of delegation?
a)Accountability b)Authority
c)Responsibility d)Informal Organisation
A d)Informal Organisation
11. A network of social relationship has arise spontaneously due to interaction at work is called
a)Formal organisation b)Informal organisation
c)Decentralisation d)Delegation
A b)Informal organisation

12. Which of the following does not follow the scalar chain?
 a)Functional structure b)Divisional structure
 c)Formal organisation d)Informal organisation
 A d)Informal organisation
13. For delegation to be effective, it is essential that responsibility be accompanied with necessary.
 a)Authority b)Manpower
 c)Incentives d)Promotions
 A a)Authority
14. Span of management refers to
 a)Number of managers
 b)Lenght of terms for which a manager appointed
 c)Number of subordinates under a superior
 d)Number of members in top management
 A c)Number of subordinates under a superior
15. Grouping of activities on the basis of functions is a part of
 a)Decentralised organisation b)Divisional organisation
 c)Functional organisation d)Centralised organisation
 A c)Functional organisation

SECTION - B

II TWO MARKS QUESTIONS :

16. Define Organisation.
 A According to Henry Fayol `To organise a business is to provide it with every thing useful to its functioning i.e raw material, machines, tools, capital and personal.
17. Write any two differences between functional and divisional structures.
 They are:

Basis	Functional structure	Divisional structure
1. Formation	Formational is based on function	Formation is based on product lines
2. Specialisation	Functional Specialisation	Product Specialisation
3. Cost	Economic	Costly
4. Co-ordination	Difficult	Easy

18. Give the meaning of Formal organisation.

A Formal organisation is a structure of well-defined jobs each bearing a definite measure of authority, responsibility & accountability.

19. Compare and contrast authority and accountability (any two)

	AUTHORITY	ACCOUNTABILITY
A	a)It is right to command b)It can be delegated c)Arises from formal position	a)It means answerable for the job performed b)It Cannot be delegated at all c)Arises from responsibility

20. State any two differences between Delegation and Decentralisation

	BASIS	DELIGATION	DECENTRALISATION
A	a)Nature b)Freedom c)Status	It is a compulsory act because no individual can perform all tasks on his own More control by superior of action hence less freedom to take own decisions It is a process followed to share tasks	It is an optimal policy decision it is done at the discretion of the top management. Less control over executives hence greater freedom of action It is the result of the policy decision of the top management

SECTION - C

III FOUR MARKS QUESTIONS

21. Explain the steps in the process of organisation:

- A
- a)Identification & division of work: The process of organising starts with identifying & dividing the work that has to be done in accordance with pre-determined plans the work is divided into manageable activities so that duplication can be avoided & the burden of work can be shared among the employees.
 - b)Departmentalisation : The process of grouping the activities of similar nature under same department is called as department alisation.
 - c)Assignment of duties: Once departments have been formed each of them is placed under the charge of an individual job`s are the allocated to the members of each department in accordance to their skill and competencies.
 - d)Establishing reporting relationships: Merely allocating work is not enough each individual should also know who he has to take orders from and to whom he is accountable.

22. State any two advantages and disadvantages of Informal organisation.

A Advantages of Informal organisation

- a)It leads to faster spread of communication since prescribed lines of

communication are not followed it also enable to get quick feed back.

b)It helps to fullfill the social needs of the members and allow them to find like minded people. This enhances their job satisfaction since it gives them a sense of belongingness in the organisation.

c)It contributes towards fullfillment of organisational objectives by compensating for inadquacies in the formal organisation.

Disadvantages of Informal organisation

a)It acts as a disruptine force against the interest of the formal organisation.

b)The management may not be successful in implimenting changes if the informal organisation opposes them.

c)It presurises members to conform to group expectations this can be harmful to the organisation if the set by the group are against organisational interests.

23. Distinguish between Formal and Informal organisation by taking any four basis.

A

Basis	Formal organisation	Informal organisation
1)Meaning	Structure of authority relationship created by the management	Network of social relationship arising out of intraction among employees.
2)Origin	Arising as a result of company rules and policies	Arising as a result of social interaction
3)Authority	Arises by viture of position in management	Arises out of personal qualities
4)Behaviour	It is directed by rules	There is no set behaviour pattern.
5) Flow of communication	It takes place though the scalar chain rigid	It can take place in any direction flexible nature

24. Explain briefly the elements of delegation :

A They are:

a)Authority:Authority refers to the right of an individual to command his subordinates and to take action within the scope of his position.

b)Responsibility: Responsibility is the obligation of a subordinate to properly perform the assigned duty it flows upwards.

c)Accountability: Accountability implies being answerable for the final outcome it cannot be delegated & it flows upwards.

SECTION - D

IV EIGHT MARKS QUESTIONS

21. Explain the importance of Organizing:

A The following points highlight the crucial role that organising plays in any business enterprise.

a) Benefits of specialisation: Organising leads to a systematic allocation of jobs among the work force right person is placed in the right job it leads to specialisation and increases the efficiency & productivity of employees.

b) Clarity working relationship : Organising helps in establishing working relationship every individual has clarity as to whom he can give orders and from whom he has to receive orders.

c) Optimum utilization of resources: It leads to optimum use of material, financial and human resources.

d) Adaptation to changes: It process of organising allows a business enterprises to accommodate changes in the business environment it allow the organisation structure to be suitable modified.

e) Effective administration: Organisation provides a clear description of jobs it enables proper execution of work thus management of an enterprises becomes easy and this brings effectiveness in administration.

f) Development of personal: Organising stimulates creativity among managers it helps the managers to grow and develop to their full potential.

g) Expansion and growth: Organising promotes growth and diversification of an enterprise it enables the enterprises to take up new challenges organising can easily add more job positions & new product lines this leads to increase in sales and profit.

26. State the advantages and disadvantages of Formal organisation.

A Advantages of Formal organisation:

a) It is easy to fix responsibility since natural relationship are clearly defined.

b) There is no ambiguity in the role that each member has to play as duties are specified this also helps in avoiding duplication of effort.

c) Unity of command is maintained through an established chain of command.

d) It leads to effective accomplishment of goals by providing a frame work for the operations to be performed.

e) It provides stability to the organization.

Disadvantages of formal Organisation

1) The formal communication may lead to procedural delays as the established chain of command has to be followed which increases the time taken for decision making.

2) Poor organisation practices may not provide adequate recognition to creative talent, since it does not allow any deviations from rigidly laid down policies.

3) It is difficult to understand all human relationship in an enterprise as it places more emphasis on structure and work hence the formal organisation does not provide a complete picture of how an organisation works.

27. What is Decentralisation? Explain its importance.

A According to Lewis Allen, decentralisation refers to systematic effort to delegate to the lowest level of authority except that which can be excised at central points.

Importance of Decentralisation

a) Quick decision making: By giving authority for decision making to the lower, decentralisation facilitates quick decisions thus it enables an enterprise to adopt to dynamic operating conditions.

b) Develops Initiative among subordinates: It helps to promote self reliance and confidence among the subordinates as it gives freedom to the lower level managers it helps them to take their own decision they learn to depend on their own judgement.

c) Develops managerial talent for the future: It gives them a chance to prove their abilities and creates a reservoir of qualified manpower who can be considered to fill up more challenging positions through promotions.

d) Relief to top management : As authority is delegated to lower level, the top executive is relieved of some burden and concentrates on planning, control and co-ordination of activities of different department.

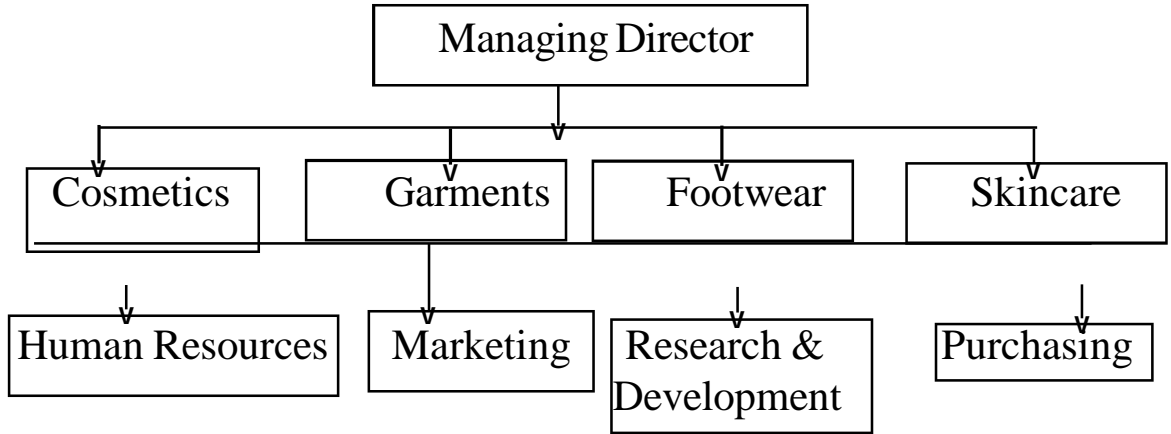
e) Facilitates growth: It provides greater freedom to lower level as well as departments this develops a sense of competition among them where every one tries to do better than the other this results in growth and diversification of an enterprise.

f) Better control: Decentralisation makes it possible to evaluate performance at each level and the department can be individually held accountable for their results this ensures better control in the organisation.

SECTION - E

V Practical- Oriented question

28. Draw the organisation chart showing divisional & functional structure.



CHAPTER - 6

STAFFING

Marks : 1-1, 2-2, 4-1, 8-1=17

PART - A

I One Marks Questions

1. Name one internal source of recruitment.
A Transfers
2. Name any one external source of recruitment.
A Direct recruitment.
3. Mention the first step in selection process.
A Preliminary screening.
4. State any one type of selection tests.
A Intelligence Tests;
5. What is Training?
A It means imparting skills and knowledge doing a particular job.
6. What is the meaning of 'Development' in Staffing process?
A It means growth of an employee in all respects.
7. Which one of the following is not a function of staffing
a)Recruitment b)Training c)Compensation d)Directing
A d)Directing
8. Which one of the following is an internal source of recruitment
a)Transfer b)Employment exchange
c)Advertisement d)Campus recruitment
A a)Transfer
9. Promotion of employees results in
a)Increase in job b)Increase in responsibility
c)Increase in job satisfaction d)All of the above
A d)All of the above

PART - B

II Two Marks questions

10. What is Recruitment?
A It refers to identification of the sources of manpower availability and making efforts to secure applicants for the various job positions in an organisation.
11. Give the meaning of Selection.
A It is the process of choosing & appointing the right candidates for various jobs in an organisation through various exams, tests, & interviews.

12. What is Placement?

A When a new employee reports for duty, he is to be placed on the job for which he is best suited. Placement is very important process as it can ensure “Right person for right job”.

13. What is Orientation?

A Orientation / Induction is concerned with the process of introducing a new employee to the organisation.

14. State any two differences between training and Development.

A a)It is imparted though on the job method. It is imparted though off the job method.

15. What is job Rotation?

A This kind of training involves shifting the trainee from one department to another or from one job to another.

16. Mention any two merits of internal sources of recruitment

A a)Qualified personnel: By using external source of recruitment the management can attract qualified & trained people to apply for the vacant jobs in the organization.

b)Wider choice: The management has a wider choice in selecting the people for

17. Mention any two demerits of internal sources of recruitment

A a)The scope for induction of fresh talent is reduce.

b)The employee may become lethargic.

18. What is Staffing?

A Staffing means putting people to jobs it begins with human resource planning and includes different other functions like recruitment, selection, training, development, promotion & performance appraisal of work force.

SECTION - C

III FOUR MARKS QUESTIONS

19) Explain Any Four External Sources of Recruitment.

A 1.Direct Recruitment: Under the Direct Recruitment, a notice is put up on the notice board of the enterprise specific the details of the jobs available.

2. Casual callers: Many reputed business organisations keep a data base of unsolicited applicants in their office. This list can be screened & best candidate is selected.

3. Advertisement: Advertisement media is used when a wider range of candidates to choice are required. Ex. -Newspapers, Internet, Radio, Television etc.

4. Employment Exchange: Employment Exchange run by government is regarded as a good source of recruitment for unskilled & skilled operative jobs.

5. Placement Agencies & management consultants: Placement agencies provide a nation wide service in matching personnel demand & supply.
6. Campus consultants: Campus recruitment means recruitment of candidates directly from management & technical & universities.
- 20) Write The Benefits of training and development employee.
- A Benifits to the Employee
1. Better career oportunities: Traning helps in improving the knowledge of the employee which in turn helps in improving his career prospects.
 2. Earn more: By helping the individual to improve their knowledge & skills, it improves the earning prospects of employees.
 3. Less accident prone: With proper traning, employees become more efficient in handling complex machine. This helps in reducing the chances of an accident.
 4. Self - confidence: By increasing knowledge, skills & aptitude of employees, traning helps in boosting self - confidence, which in turn helps in improving job satisfaction.
- 21) Explain any four types of tests used for selection of Employee.
- Selection tests:
- These tests include:
- a) Intelligence tests: it tests a person's ability to make decision & adjustments.
 - b) Aptitude tests: it is a measure of individuals potential for leaning new skill.
 - c) Personality tests: personality tests provide clues to a person's emotion.
 - d) Trade tests: it measures the existing skills of an individual.
 - e) Interest tests: It allows to know the pattern of interests and involment of a person

SECTION - D

IV EIGHT MARKS QUESTIONS

- 22 Discuss any eight commonly used external sources of Recruitment.
- A When the candidates from external sources are invited to fill in the vacant job position then it is known as external recruitment.
- The common methods of external sources of recruitments are:
1. Direct Recruitment: Under the direct recruitment, a notice is put up on the notice board of the enterprise specifying the details of the jobs available
 2. Casual callers: Many reputed business organisations keep a data base of unsolicited applicants in their office. This list can be screened & best candidate is selected.
 3. Advertisement: Advertisement media is used when a wider range of candidates to choice are required. Ex. Newspapers, Internet, Radio, Televisionetc.
 4. Employment Exchange: Employment Exchange run by govt. is regarded as a

good source of recruitment for unskilled & skilled operative jobs.

5. Placement Agencies & Management consultants: Placement agencies provide a nationwide service in matching personal demand and supply.

6. Campus consultants: Campus recruitment means recruitment of candidates directly from management & technical institutions and universities.

7. Labour Contractors: labour Contractors maintain close contacts with labourers & they can provide the required number of unskilled workers at short notice.

8. Advertising on Television: The practice of telecasting of vacant posts over television is gaining importance these days.

9. Web Publishing: There are certain websites specifically designed & dedicated for the purpose of providing information about both job seekers & job opening.

10. Recommendations of Employees: Applicants introduced by present employees, or their friends & relatives may prove to be a good source of recruitment.

23. EXPLAIN THE FOUR METHODS OF ON-THE JOB TRAINING AND ANY FOUR METHODS OF OFF-THE JOB TRAINING (8 MARKS)

A TRAINING METHODS

(a) On the job method:

It refers to the methods that are applied at the work place, where the employee is actually working it means learning while doing.

1. Apprenticeship programme:

* Apprenticeship programme put the trainee under the guidance of a master worker.

* The trainee receives stipend while learning so that he / she can enjoy "earn while you learn" scheme.

2. Coaching:

* In this method, the superior guides & instructs the trainee as a coach.

* The trainee works directly with a senior manager & the manager takes full responsibility for the trainee's coaching.

3. Internship Training:

The educational institutes enter into a contract with business firms or corporates for providing practical knowledge to its students by sending them to business organisations for gaining practical experience.

4. Job Rotation:

* This kind of training involves shifting the trainee from one department to another or from one job to another.

5. Computer modelling: It simulates the work environment by programming a computer to imitate some of the realities of the job & allows learning to take place.

6. Vestible Training: Employees learn their jobs on the equipment they will be using, but the training is conducted away from the actual work floor.

7. Programmed Instruction : This method incorporates a prearranged & proposed acquisition of some specific skill or general knowledge.

24) EXPLAIN THE BENEFITS OF TRAINING & DEVELOPMENT TO THE ORGANISATION & THE EMPLOYEE

A Training refers to enhancing the skill and abilities necessary for a specific job. In other words, it attempts at improving the aptitude and knowledge of employee according to the requirement of the specific job.

Training impact the following benefits to the employee and to the organisation.

Benefits to the employee

1. Better career opportunities: Training helps in improving the knowledge of the employee which in turn helps in improving his career prospects.

2. Earn more: By helping the individual to improve their knowledge and skill, it improves the earning prospects of employee.

3. Less accident Prone: With proper training, employees become more efficient in handling complex machine. This helps in reducing the chances of an accident.

4. Self-confidence: By increasing knowledge, skills & aptitude of employees, training helps in boosting self-confidence, which in turn helps in improving job satisfaction.

Benefits to the Organisation

1. Less wastage: With training, employees learn to work systematically without the need of any hit & trial method. This helps in reducing the wastage of time and money.

2. Higher profit: By developing the skill of individual, it makes them more efficient & productive. With increase in overall productivity, the profit of the organisation rise.

3. Managerial efficiency: training impacts self - confidence among employee face new challenges. it helps them to better deal with varied situations and problems.

4. Reduced absenteeism: Effective training helps in boosting the morale & self-confidence of employees, which in turn helps in reducing absenteeism and employee turnover in the organisation.

5. Adapting to changes: Training equips the trainee to respond and adopt to the changing economic and technological environment.

25) EXPLAIN THE PROCESS OF STAFFING

A Preliminary screening

Helps in eliminating candidates who do not fulfill the basic criteria preliminary screening and qualification required for the job. candidates whose applications are selected are called for preliminary interviews.

Selection tests

A written is conducted by the organisation to assess the practical knowledge of candidates. important tests used for selection of employees.

Intelligence test: Measures intelligence quotient of a candidate o aptitude test.

Examine the potencial of the individual to develop new skill o personality test.

Tests overall personality of an individual or trade test. Measures existiting skill of a candidate o interest test. Finds out the particular interest of the individual.

* Personal interview

Involves in-depth conversation between the candidate and an interviewer to evaluate a candidate's overall suitability for the job position. Candidates get a chance to have clarity regarding their salary, working conditions etc.

* Background checks

Information given by the candidates is verified by asking the candidate to provide a number of reference. Teachers, previous employee and university professors are suitable reference.

Selection decision

Final selection by choosing the candidatees who passed the test, interview and reference checks. Medical examination

To check the level and health of candidates, and the job offer is given only after candidates are declared fit.

Job offer

A job offer is made through a letter of appointment. The letter mentions the job profile, rules & regulations, date of joining, time of reporting etc.

Contract of employment

The selected candidate is given the employment contract, which mentions the terms and conditions of employment.

P.O.G. : Assuming that you are the HR manager of an organisation, state any 10 sources you would look into white recruiting employees.

CHAPTER - 7

DIRECTING

Marks : 1-1, 2-1, 4-1, 8-1=19

SECTION - A

I One marks questions

1. State one type of Leadership style.
A Autocratic
2. State any one element of directing.
A Leadership
3. Give the meaning of Motivation.
Motivation is the process of making subordinates to act in a desired manner to achieve certain organisation goals.
4. Which one of the following is not element of direction.
a) Motivation b) Communication c) Delegation d) Supervision
A c) Delegation
5. The Software company promoted by narayanamurthy is
a) Wipro b) Infosys c) Satyam d) HCL
A b) Infosys
6. Name any one human need as started by Abraham Maslow.
A a) Basic physiological needs b) Safety c) Esteem needs
7. Write any barriers of communication.
A Physiological barriers
8. What is Formal Communication?
A The communication which flows through official channels designed in the organisation chart.
9. How can we overcome communication barriers?
A By using proper language, voice and having clarity of what to communicate.
10. Write the one of the elements of communication.
A Decoding
11. The highest level need in the need hierarchy of Abraham Maslow is.
A a) safety need b) self-actualization need
12. Grapevine is
a) Formal communication b) Barrier communication
c) Lateral communication d) Informal communication
A d) Informal communication

SECTION -B

II Two Marks questions

1. State any two features of leadership?

- A a) Leadership is continuous process.
b) Leadership tries to bring changes in others behaviour.

2. Define Motivation?

- A Motivation means a process of stimulating people to action to accomplish desired goals.

3. State two features of Motivation?

- A a) Motivation is inner feeling
b) Motivation produces goal directed behaviours.

4. What is Supervision?

- A Supervision is the process of guiding the effort of employees and other resources to accomplish the desired objectives.

5. State any two elements of communication process.

- A a) Sender: person who sends information
b) Message: Content of feeling, ideas, etc. communicated

6. State any two Psychological barriers of Motivation

- A a) Premature evaluation b) Lack of attention

7. What is Communication?

- A Communication is a process by which people create and share information with one another in order to reach common understanding.

8. What is Informal / Grapevine communication?

- A Grapevine communication which takes place without following the formal lines of communication.

9. State the barriers of effective communication?

- A Semantic Barriers Psychological Barriers Organisational Barriers Personal Barriers

10. What is Leadership?

- A Leadership is a process of influencing behaviour of people by making them strive voluntarily towards achievement of organisational goals.

SECTION - C

III FOUR MARKS QUESTIONS

1. State importance of Directing.

- A a) Directing helps to initiate action by people in the organisation towards attainment of desired objective.
b) Directing ensures that the individuals' goals for organisational goals

- c) Directing guide employees to fully redire their potential and capabilities by providing effective leadership.
 - d) Directing facilitates introduction of needed changes in the organisation.
 - e) Effective directing help to bring stability and behaviour in organisation.
2. State the benefit of Motivation.
- A Benefit (importance) of Motivation
- a) Motivation helps to improve performance levels of employees as well as the organisation.
 - b) Motivation helps to change negative on indifferent attitudes of employee to possible attitudes so as to achive organisational goals.
 - c) Motivation helps to reduce employees towards and their by saves the cost of new recruitment and training it also helps to retain talented people in the organisation.
 - d) Motivation helps to redure absenteeism in the organisation.
 - e) Motivation helps managers to introduce changes smoothly without much resistance from people.
3. State the measures to overcome the barriers to effective communication.
- Measure to over come the braviour and improve communication effectiveness.
- a) Clarify the ideas before communication:-The person sending the message should be very clear in his / her mind about what he / she wants to say.
 - b) Communicate according to the needs of subordinates.- Manager should adjust his communication according to education and understanding levels of subordinates.
 - c) Consult other before communication - Before actually communicating the message it is better to involve other is developing a plan for communication.
 - d) Beware of language tone and content of message- The language used should be understable to the subordinates and should not affect the sentiment of listeners the tone of the message should not hurt the feeling of the subordinates.
 - e) Carry things to help and value to listeners- While carrying message to other it is better to the interest & needs of the people with whom you are communicating.
 - f) Follow up communications:- There should be regular follow up and senior on the instruction given to subordinate such follow up measure help them in removes hurdles if any in implementing the instruction.
4. What is Communication? Explain the importance of communication?
- A Communication refers to process of exchange of ideas, views, facts, feeling etc. Between or among people to create common understanding

IMPORTANCE OF COMMUNICATION

1) Act as basis of coordination:

Communication acts as basis of coordination it ensure coordination among department activities and person in the organisation by explaining about achievement.

2) Helps in smooth working of an enterprise:

Communication makes possible for smooth & working of the enterprise.

3) Acts as basis of decision making:

Communication provides needed information for decision making.

4) Increases managerial efficiency: The management carries the goals & targets, issues, instruction allocates jobs and responsibilities and looks after the performance of subordinates communication is involved in all these aspects.

5) Promotes co-operation & industrial peace:-

The two way communication promotes co-operation and mutual understanding between the management & workers this leads to industrial peace and efficient operations.

6) Established effective leadership:

Communication is the basis of leadership, effective communication helps to influence subordinates.

7) Boost Morale & provides motivation:

An effective efficient system of communication enable management to influence and satisfy the subordinate.

5. Explain the various leadership styles.

A Styles of leadership depends on the use of authority are three types of leadership style. They are

a) Autocratic b) Democratic c) Laissez faire

a) Autocratic:- An autocratic leader gives orders & expects his subordinates to obey those orders. If a manager is following this style then communication only meeting according to the command given by the manager.

b) Democratic or participate leader- A democratic leader will develop action plans and makes decision in communication with his subordinates he will encourage them to participate in decision making this kind of leadership style is more common now-a-days.

c) Laissez faire: - Such a leader does not believe in the use of power unless it is absolutely essential.

SECTION - D

IV EIGHT MARKS QUESTIONS

1. What is Supervision? Explain the importance of Supervision?

A Supervision is the process of guiding the efforts of employees and other sources to accomplish the desires objectives.

Importance of Supervision

Supervision, being a process and a function performed by supervision plays an important role in the success of any organisation as he has direct contact with workers.

a) Supervision maintain friendly relations with workers a good supervision acts as a guide friend and philosopher to the workers.

b) Supervision acts as a link between workers and management he conveys the objectives ideas and plans of the management to the workers and workers problems to the management.

c) Supervision plays a big role in maintaining group unity among placed under his control.

d) Supervisor ensure performance of work according to the target set he takes responsibility for the achievement and motivates his workers.

e) Supervisor provides good job training to the workers / employees.

f) Supervisor /leadership play a key role is influencing the works.

g) A good supervision analys the work performed gives feedback to the workers.

2. Explain the principles of Directing:

A Principle of Directing:

a) Minimum individual contribution. This principle emphasize that directing techniques must help every individual in the organisation to contribute to his minimum potential for achivement of organisational objectives it should bring gives of employees for efficiency of the organisation.

b) Harmony of objectives:

Good directing should provide harmony of individual objectives of employees and the organisational objectives.

c) Unity of Command:

This principle insist that a person in the organisation should receive instruction from one superior only.

d) Appropriate of directing techniques:

According to this principle depending upon situation appropriate motivation and leadership techniques should be used while the directing people.

e) Managerial communication:

Effective managerial communication across all levels in the organisation makes

direction effective directing should carry clear instruction to create total understanding subordinates.

f) Use of Informal organisation:- A manager should identify the informal group of organisation present in the enterprises and make use of such organisation for effective directing.

g) Leadership: While directing the subordinate managers should exercise good leadership as it can influence the subordinate positively without carrying dissatisfaction among them.

h) Follow through- Here opening of an order is not sufficient. Managers should follow it up by reviewing continuously whether orders are being implemented accordingly or any problems are being encountered.

3. Explain the qualities of Good leader:

A A good leader can influence the behaviour of his these subordinate positively and can take the organisation to the success.

Some of the qualities are:

a) Physical features:-Physical features like height, weight, health & appearance determine the physical personality of an individual a leader with good physical features can attract people.

b) Knowledge- A good leader should have required knowledge and competence. He/she should have knowledge about the organisation produce of work products & other details.

c) Integrity:- A leader should possess high level of integrity and he should be a role model to other regarding the ethic and values.

d) Initiative:-A leader should have courage & initiative he should not wait for opportunities come to his way rather he should for the opportunity & use it to the advantage of organisation.

e) communication skill:-A leader should be good communicator he should have the capacity to clearly explain his ideas & make the people to understand his ideas.

f) Motivation skill:- A leader should be an effective motivation he should understand the need of people & motivate them through satisfying their needs.

g) Self-confidence:- A leader should have high level of self confidence & should be able to create confidence in his subordinates.

h) Decisiveness:- He should be decisive in managing the work once he is convinced about a fact he should be firm & should not change opinion frequently.

CHAPTER - 8

CONTROLLING

Marks : 1-1, 2-1, 4-1=07

SECTION - A

I One marks questions

1. What is Standard?
A Standard are the criteria against which actual performance would be measured they serve as a benchmark towards which an organisation strives to work.
2. What is meant by controlling?
A It is a function of management which ensures that activities in an organisation are performed as per plans.
3. Expand PERT.
A Programme Evaluation and Review technique.
4. Expand CPM.
A Critical Path Method.
5. Expand MIS.
A Management Information System.
6. What is Management audit?
A It refers to systematic appraisal of the overall performance of the management of organisation.
7. Which of the following is not applicable to responsibility accounting.
a) Investment center b) Accounting center
c) Profit center d) Cost center
A b) Accounting center
8. An efficient control system helps to
a) Accomplish organisational objectives
b) Boost accuracy of standards.
c) Judges accuracy of standards
d) All of the above
A d) All of the above
9. Budgetary control requires the preparation of
a) Training scheduled b) Budgets
c) Network diagram d) Responsibility centres
A b) Budgets
10. What is ratio analysis?
A It refers to analysis of financial statements through computation of ratio such as current ratio operating ratio and so on.

SECTION - B

II TWO marks questions

1. Give the meaning of Break- even- analysis?

A It is a technique used by managers to study the relationship between costs, volume and profits.

$$\text{BEP} = \frac{\text{fixed cost}}{\text{Selling price per unit} - \text{Variable cost per unit}}$$

2. What is Responsibility accounting?

A It is a system of accounting in which different sections, divisions and department of an organisation are set up as responsibility centres such as cost centre revenue centre profit centre & soon the head of the centre is responsible for achieving the target for his centre.

3. What do you mean by Budgetary control?

A It is a managerial control technique in which all operations are planned in advance in the form of budgets & actual result is compared with budgetary standard.

4. What is MIS?

A Management Information System is a computer based information system that provides information & support for effective managerial decision making.

5. State any two traditional techniques of management control.

A a) Personal observation b) Statistical reports c) Break even analysis

6. State any two modern techniques of managerial control?

A a) Returns on investment b) Ratio analysis c) PERT & CPM

SECTION - B

III Four marks questions

1. Explain briefly the steps involved in controlling process?

A Controlling is the systematic process involving the following steps.

a) Setting performance standards:- The first step in the controlling process is setting up of performance standards, standard can be set in both quantitative as well as qualitative terms.

b) Measurement of actual performance:- Once next step is measurement of actual performance it is generally believed that measurement should be done after the task and completed.

c) Comparing actual performance with standard:- This step involves comparison of actual performance with the standard, such comparison reveals the deviation between actual and desired result comparison becomes easier.

- d) Analysis deviations: -It is necessary to identify the exact cause of deviation failing which an appropriate corrective action might not be possible.
- e) Taking corrective action:- The final step is controlling is taking corrective action no corrective action is required when the deviation are within acceptable limits.

2. Explain the limitations of controlling?

A Although controlling is an important function of management it suffers from the following limitations.

a) Difficulty in setting quantitative standards:

Control systems lose some of their effectiveness when standards cannot be defined in qualitative terms employee morale job satisfaction and human behaviour are as such areas where this problem might arise.

b) Little control / no control:

Generally an enterprise cannot control external factors such as government policy, technological changes competition etc.

c) Resistance from employees:-Control is often resisted by employees as it restricts their freedom.

d) Costly affairs:- Control is a costly affair as it involves a lot of expenditure time and effort.

3. A good control system helps an organisation in many ways justify the statement with any four points?

A Control is an indispensable function of management it helps an organisation in many ways.

a) It helps in accomplishing organisational goals:

It helps in proper implementation of plans & thereby contributes to achieve the organisational goals.

b) It helps in judging accuracy of standards:

A good control system enables management to verify whether the standards set are accurate and objective.

c) It helps in making use of resources:

Controlling helps to reduce wastage & spoilage of resources thus it ensures that resources are used in the most effective & efficient manner.

d) It helps in improving employee motivation:

A good control system motivates the employees and helps them to give better performance by enabling them to know well in advance what they are expected to do.

CHAPTER - 9

FINANCIAL MANAGEMENT

Marks :1-2, 2-1, 4-1, 8-1=16

PART - A

I One mark questions

1. A decision to require a new & modern plant to upgrade an old one is a
a) financial decision b) working capital decision
c) investment decision d) none of the above
A c) investment decision
2. State the objectives / aim of financial management
A Profit maximisation
3. Give an example for fixed asset.
A Plant and machinery
4. What is Business finance?
A Money required for carrying out business activities is called business finance.
5. What is capital structure?
A Capital structure refers to mix between owners fund and borrowed fund.
6. Give an example for current asset.
A Stock
7. Write the meaning of financial risk
A Financial risk refer to a position when a company is unable to meet its fixed financial changes namely interest payment , payment of dividend and repayment obligation.
8. The cheapest source of finance is
a)debenture b)equity share capital
c)preference share d)retained earning
A d) retained earning
9. Current assets are those assets which get converted into cash.
A a)within six months b)within one year
c)between one and 3 years d)between 3 and 5 years
A b)within one year
10. What is financial decision?
A The decision about the quantity of finance to be raised from various long terms and short terms sources of finance is called finance decision.
11. What is Fixed capital?
A Fixed capital refers to investment in long term assets or fixed assets such as investment in plant and machinery investment in building etc,

12. What is Working capital?
 A Working capital is the excess of current assets over current liabilities i.e
 working capital= current assets-current liabilities
13. State any one factors influencing working capital?
 A Nature of business scale of operation
14. State any one factors influencing fixed capital
 A Growth prospects, Nature of business

PART - B

II Two marks questions

1. How do you understand by Financial management?
 A Financial management means procurement of required funds at minimum cost and utilisation of such funds in an efficient manner.
2. Give the meaning of dividend decision.
 A Dividend decision is a financial decision which relates to how much of the profit earned by the company (after paying tax) is to be distributed to the shareholders and how much of it should be retained in the business.
3. Give the meaning of investment decision with an example.
 A Investment decision is a financial decision which relates to how the firm's funds are invested in different assets. For Ex. a decision to make investment of Rs.5 crore in a new machine or a decision to make investment of Rs 2 crore to open a new branch and so on.
4. What is Financing decision? Give an example.
 A The decision about the quantity of finance to be raised from various long term and short term source is called financing decision.
 Ex. a decision taken to raise Rs 1 crore by the issue of equity shares worth Rs 60 lakh by the issue of debentures worth Rs 20 lakh and by borrowing from bank Rs 20 lakh.
5. State the twin objectives of Financial planning.
 A The twin objectives of financial planning are:
 a)to see availability of funds whenever required
 b)to see that the firm does not raise resources unnecessarily.
6. What is Financial Leverage? Write the formula to calculate the financial Leverage.
 A The proportion of debt in the overall capital is called financial leverage.
 Formula to calculate financial management

$$\text{Financial leverage} = \frac{D}{D+E}$$
 Where D = Debt & E = equity

7. Give the meaning of trading on equity.
 A Trading on equity refers to the increase in profit earned by the equity shareholder due to presence of fixed financial charges like interest.
 It is a suitable where companies employ more cheapest debt in their capital structure to enhance the earning per share (EPS)

PART - C

III Four marks questions

1. Explain the importance of financial planning with any four points
 A Importance of financial planning
- a) It helps in forecasting what may happen in future under different situation accordingly it develops alternative financial plans to face different situation.
 - b) It helps in avoiding business shocks and surprises and helps the company in preparing for future.
 - c) It helps in coordinating various business function Ex. sales and production function by providing policies and procedures.
 - d) Detailed plans of action prepared under financial plan to reduce waste and duplicate of efforts.
 - e) It tries to link the present with future
 - f) It provides a link between investment and financing decision on a continuous basis.
 - g) It makes evaluation of actual performance easier by specifying the detailed objectives for various business.
2. Explain any four factors affecting financing decision.
 A Factors effecting financing decision are
- a) Cost : The cost of financing funds through different source is one of the factors effecting financing decision.
 - b) Risk : Risk associated with each of source is to evaluate & the source with least risk should be preferred.
 - c) Floating cost : The floatation or fund raising costs are to be considered.
 - d) Cash flow position of the company : An enterprise with stronger cash flow position can go for debt financing than funding through equity.
 - e) Fixed operating cost : If a business has high fixed operating costs it must reduce its debt financing.
3. Explain any four factors affecting the fixed capital requirement of an organisation.
 A Factors effecting fixed capital requirement of an organisation.
- a) Nature of business : The nature of business determine the amount of fixed capital requirement to a great extent.

- b) Scale of operation: A business common with large operation require more fixed capital as it needs bigger plant, more space etc. while a business comes with small scale operations requires less fixed capital.
- c) Choice of method or technique of procurement: A capital, intensive organisation require higher investment in fixed assets such as machinery and thus it needs more fixed capital.
- d) Technology upgradation: The organisation using new technology require fixed capital to purchase new assets.
- e) Growth prospects: An organisation having higher growth prospect generally required higher investment in fixed assets and needs more fixed capital.
- f) Diversification : A concern which chooses diversification required more fixed capital investment.
- g) Financing alternative : Organisation purchasing fixed assets on cash basis required a large amount of fixed capital.

4. Explain any four factors affecting dividend decision important factors affecting dividend decision are.

A a)Amount of earning:

Since dividend are paid out of current &past earning, amount of earning is a major determinent of the decision about dividend.

b)Stability of earnings:

Namely a company having stable earning is a better position to distribute higher dividend.

c)Stability of dividends:

Stable dividend policy of a company will see that dividend per share is not altered if the change in earning is small .

d)Growth opportunities:

Companies having good growth opportunities return more money out of their earning so as to finance the required investment therefore the dividend is smaller in growth companies.

e)Cash flow position:

Availability of enough cash is necessary for declaration of dividend therefore a business which earns profit with sufficient cash position can pay dividend.

5. Explain Financial decision:

Type of financial dicision are:

a)Invetment decision

b)Financial decision

c)Dividend decision

a)Investment division:-Investment dicision is a financial decision while relate to how the firms funds are invested is different assets for Ex. a dicision to make investment of Rs.5 crore in a new machine or a decision to make investment of

Rs.2 crore to open a new branch and so on.

b)Financial decision :-The division about the quantity of finance to be raised from various long term & short term source of finance is called financing decision.Thus it is concerned with how much funds to be raised and from which source.

c)Dividend decision:-Dividend decision is a financial decision which relates to how much of the profit earned by the company (after paying tax) is to be distributed to the shareholders and how much of it should be retained in the business. Thus it relates to the appropriation of profit.

6. What is Capital budgeting decision? Explain briefly the factors affecting capital budgeting decision.

A A long term investment is called capital budgeting decision in short it is a decision to invest in fixed assets.

For Ex, A decision to investment in a new machine a decision to open a new branch etc.

Factors effecting capital budgeting decision

a)Cash flow of the profit:-A series of cash receipts (cash inflow) and cash payment (i.e cash outflow) over the life of an investment project should be carefully analysed before considering a capital budgeting decision.

b)The rate of return:-The expected rate of return is another factor affecting capital budgeting decision usually the profit which gives highest rate of return should be related.

c)The investment criteria involved:-While taking capital budgeting decision the amount of investment rate cash flow & rate of return involved in each investment proposal should be evaluated by applying different capital budgeting techniques.

PART - D

IV Eight marks questions

1. Explain the factors affecting the working capital requirement of business.

A Factors affecting the working capital requirement of a business.

a)Nature of business:-The nature of business influence the amount of working capital required.

b)Scale of operation:-A business with large scale operation needs amount of working capital to hold more inventory.

c)Business cycle:-In case of a boom, demand for goods increase, requiring large amount of working capital.

d)Seasonal factors:-In a peak season due to higher level of activity larger amount of working capital is required.

e)Production cycle:-Working capital requirement is higher in concern with larger production cycle and lower in with short production cycle.

f)Credit allowed:-A concern which allows liberal credit to its customers which allows liberal credit to its customers will require large amount of working capital than a firm which restricts credits to its customers.

g)Credit avoiled:-A firm enjoying liberal credit facilities from its suppliers will need working capital than a firm which does not enjoy liberal credit facilities from its suppliers.

h)Operating efficiency:-Operating efficiency may reduce the level of raw material, finished goods and debtors resulting in lower requirement of working capital.

2. Explain the objectives of Financial management:

A The objectives of financial management are:

a)Profit Maximisation:-The company should earn sufficient profit for meeting its expences for expansion and modernisation.

b)Wealth maximisation:-Wealth maximisation means the maximisation of the market value of the shares.

c)Proper estimation of financial requirement:-The estimation of both fixed and working capital requirement to start and run the business.

d)Obtaining funds at minimum cost:-It is another objectives of financial management to mobilize the required finance from many source such as shares.

e)Proper Utilization of finance:-An important objectives of financial management is to invest organisation finance in profitable project with caution and safety.

f)Maintaining proper inflow and outflow of cash:-The organisation must have a proper cash inflow to pay the day to day expences such as purchase of raw material, payment of wages and salaries.

g) Proper co-ordination:-In addition to raising funds, financial management has to co- ordinate with other department like production, marketing personal.

h)Financial control:-The objectives of financial management has to co-ordinate with other department like production, marketing personnel.

PART - D

V Practice Oriented questions

1. As a financial consultant give the list of any ten factors which affect the choice of capital structure.

Following is the list of factors which affect the choice of capital structure

a)Cash flow position

b)Interest courage ratio

c)Debt service coverage ratio

d)Returnof investment

e)Cost of debt

f)Tax rate

g)Cost of equity

h)Floatation of costs

i)Risk consideration

j)Flexibility

k)Control

l)Regulatory framework.

ಸುಲಲತ

ದ್ವಿತೀಯ ಪಿಯುಸಿ ವಾರ್ಷಿಕ ಪರೀಕ್ಷೆಗೆ
ಸರಳ ಅಭ್ಯಾಸ ಕೈಪಿಡಿ

BUSSINESS STUDIES

WORK BOOK

SECTION - B

II Two mark questions:

1. Define management?

A

2. Define co-ordination?

A

3. Name any two organisational objectives of management.

A

4. State any two level of management.

A

5. Give the meaning of management OR What is management?

A

6. Justify the Importance of co-ordination by any two factors.

A

7. State any two functions of management.

A

8. State any two importance of management.

A

9. State any two objectives of management.

A

10. State any two features of management.

A

SECTION - C

III Four mark questions:

1. State importance of management with any four points.

A

2. Is management a science ? prove.

A

3. Explain the objective of management.

A

5. Give any four grounds to say management is important.
A

SECTION - D

IV EIGHT marks questions:

1. Management is a series of continues inter related functions - comment
A

2. Explain the charecteristics of management?

A

3. What is co-ordination? Explain the characteristics of co-ordination.

A

4. Management is considered to be both an Art & science : Explain OR _____
Management as an art & science are not mutually exclusive but complement to each other exclude.

A

Chapter-2
Principles of Management
PART - A

I One mark questions:

1. Who is called as Father of scientific management?

A

2. Who is the Father of general management?

A

3. Principles of management are not.

A

4. What is Centralisation?

A

5. What is Decentralisation?

A

6. Who proposed differential price rate system?

A

7. Give the meaning of terms Authority?

A

8. When is Gang plank used?

A

9. What is scalar chain?

A

10. What is unity of command?

A

11. What is unity of Direction?

A

12. Which of the following statement best describes principles of division of work?

A

13. What is responsibility?

A

14. State any one characteristic of principle of management?

A

PART - B

II TWO marks questions:

1. State any two differences unity of command and unity of direction.

A

2. What is Gang plank?

A

3. What is Discipline?

A

4. What is meant by Esprit-de-corps?

A

5. Mention any two principles of management considered by Fayol?

A

6. What is mental revolution according to Taylor?

A

7. State any two principles of scientific management?

A

8. What is Fatigue study?

A

PART - C

III Four mark questions:

1. Explain the principles of scientific management of F.W.Taylor?

A

2. Explain the features of Principles of management?
A

3. Describe four aspects of scientific work study developed by Taylor?
A

4. Explain any five Fayols principles of management?

A

PART - E

PRACTICE ORIENTED QUESTIONS

V As a general manager list out any ten fayols principles of management.

Chapter - 3
BUSINESS ENVIRONMENT

PART - A

I ONE MARKS QUESTIONS

1. What is business environment?

A

2. Which any one following is not dimension of business environment?

- a)Economic environment b)Social environment
c)technological environment d)natural environment

A

3. Which one of the following does not charterize the business environment?

- a)uncertinty c)relativity b)Employees d)complexing

A

4. Libaralisation means

- a)Integration among economics b)reduced Govt. controls & restrictions
c)policy of planed disinvestment d) none of the above

A

5. Which of the following is example of social environment?

- a)Money supply in the economy b)Consumer protection act.
c)the constitution of country d)composition of family

A

6. Which of the following indicate business environment in best manner.

- a)Identification b)Improvement in work management
c)Adapting to changing time d)All of the above

A

PART - B

II TWO MARKS QUESTIONS

1. Give the meaning of globalisation?

A

2. What is Privatization?

A

3. What is Liberalisation?

A

4. Expand the following FDI, FIPB.

A

PART - C

III FOUR MARKS QUESTIONS

1. Explain four features of business environment?

A

2. Explain the importance of understanding the business environment.

A

3. Explain dimensions (elements) of Business environment?
A

IV

PART - E

PRACTICE ORIENTED QUESTIONS

Explain the different elements of business environment that influence the success of business enterprise with neat diagram.

CHAPTER - 4
PLANNING
SECTION - A

I ONE MARKS QUESTIONS

1. State any one importance of planning?
A
2. Give one example for rule?
A
3. Which is first step in planning process?
A
4. Give example for single use plan?
A
5. State management functions that determines objectives of enterpricess?
A
6. State any one type of plan?
A
7. What is Budget?
A
8. Give example of Budget?
A
9. Write any one disadvantage of planning?
A
10. Give one example of policy?
A
11. Which of the following is an example for single use plan?
a)policy b)budget c)Procedure d)method
A

SECTION - B

II TWO MARKS QUESTIONS

1. Give the meaning of programme:
A
2. Write two limitations of planning.
A

3. Write two features of planning.
A
4. Write two limitations of planning.
A
5. What is meant by strategy?
A
6. Define Planning?
A
7. Write two types of planning?
A
8. Write first two steps in planning process.
A
9. Write two importance of planning.
A
10. Give two examples for procedure.
A

SECTION - C

III FOUR MARKS QUESTIONS

1. Explain the importance of planning with any four points.
A

2. Explain any two types of plans.
A

3. Explain any four limitations of planning.

A

SECTION - D

IV EIGHT marks questions:

1. What is planning? Explain the process of planning.

A

2. Explain four types of plans:

A a)Objectives:- Objectives are the desired and result which the management of

SECTION - E

V 1. As manager what logical steps you follow in planning process before executing a project.

v

v

v

12. Which of the following does not follow the scalar chain?

- a)Functional structure
- b)Divicional structure
- c)Formal organisation
- d)Informal organisation

A

13. For delegation to be effective, it is essential that responsibility be accompanied with necessary.

- a)Authority
- b)Manpower
- c)Incentives
- d)Promotions

A

14. Span of management refers to

- a)Number of managers
- b)Lenght of terms for which a manager appointed
- c)Number of subordinates under a superior
- d)Number of members in top management

A

15. Grouping of activities on the basis of functions is a part of

- a)Decentralised organisation
- b)Divisional Oorganisation
- c)Functional organisation
- d)Centralised organisation

A

SECTION - B

II TWO MARKS QUESTIONS

16. Define Organisation.

A

17. Write any two differences between functional and divisional structures.

They are:

A

18. Give the meaning of Formal organisation.

A

19. Compare and contrast authority and accountability (any two)

AUTHORITY

ACCOUNTABILITY

A

20. State any two differences between Delegation and Decentralisation

BASIS

DELEGATION

DECENTRALISATION

A

SECTION - C

III FOUR MARKS QUESTIONS

21. Explain the steps in the process of organisation:

A

22. State any two advantages and disadvantages of Informal organisation.
A

23. Distinguish between Formal and Informal organisation by taking any four basis.
A

24. Explain briefly the elements of delegation :
A

SECTION - D

IV EIGHT MARKS QUESTIONS

21. Explain the importance of Organizing:

A

26. State the advantages and disadvantages of Formal organisation.

A

27. What is Decentralisation? Explain its importance.

A

SECTION - E

V Practical- Oriented question

28. Draw the organisation chart showing divisional & functional structure.



A

13. What is Orientation?

A

14. State any two differences between training and Development.

A

15. What is job Rotation?

A

16. Mention any two merits of internal sources of recruitment

A

17. Mention any two demerits of internal sources of recruitment

A

18. What is Staffing?

A

SECTION - C

III FOUR MARKS QUESTIONS

19) Explain Any Four External Sources of Recruitment.

A

20) Write The Benefits of training and development employee.

A

21) Explain any four types of tests used for selection of Employee.

A

SECTION - D

IV EIGHT MARKS QUESTIONS

22) Discuss any eight commonly used external sources of Recruitment.

A

23. EXPLAIN THE FOUR METHODS OF ON-THE JOB TRAINING AND ANY FOUR METHODS OF OFF-THE JOB TRAINING (8 MARKS)

A

24) EXPLAIN THE BENEFITS OF TRAINING & DEVELOPMENT TO THE ORGANISATION & THE EMPLOYEE

A

25) EXPLAIN THE PROCESS OF STAFFING
A



CHAPTER - 7
DIRECTING
SECTION - A

I One marks questions

1. State one style of Leadership style.
A
2. State any one element of directing.
A
3. Give the meaning of Motivation.
A
4. Which one of the following is not element of direction.
a) Motivation b) Communication c) Delegation d)Supervision
A
5. The Software company promoted by narayanamurthy is
a)Wipro b)Infosys c)Satyam d)HCL
A
6. Name any one human need as started by Abraham Maslow.
A
7. Write any barries of communication.
A
8. What is Formal Communication?
A
9. How can we over come communication berrers?
A
10. Write the one of the element of communication .
A
11. The highest level need in the need hierachy of abraham maslow is.
A
12. Grapevine is
a) Formal communication b) Barrier communication
c) Lateral communication d) Informal communication
A

SECTION -B

II Two Marks questions

1. State any two features of leadership?
A
2. Define Motivation?
A
3. State two features of Motivation?
A
4. What is Supervision?
A
5. State any two elements of communication process.
A
6. State any two Psychological barriers of Motivation
A
7. What is Communication?
A
8. What is Informal Grapevine communication?
A
9. State the barriers of effective communication?
A
10. What is Leadership?
A

SECTION - C

III FOUR MARKS QUESTIONS

1. State important of Directing.
A

2. State the benefit of Motivation.

A

3. State the measures to overcome the barriers to effective communication.
Measure to overcome the barriers and improve communication effectiveness.

A

4. What is Communication? Explain the importance of communication?

A

5. Explain the various leadership styles.

A

SECTION - D

IV EIGHT MARKS QUESTIONS

1. What is Supervision? Explain the importance of Supervision?

A

2. Explain the principles of Directing:

A

3. Explain the qualities of Good leader:

A

CHAPTER - 8
CONTROLLING
SECTION - A

I One marks questions

1. What is Standard?

A

2. What is meant by controlling?

A

3. Expand PERT.

A

4. Expand CPM.

A

5. Expand MIS.

A

6. What is Management audit?

A

7. Which of the following is not applicable to responsibility accounting.

- | | |
|----------------------|----------------------|
| a) Investment center | b) Accounting center |
| c) Profit center | d) Cost center |

A

8. An efficient control system helps to

- a) Accomplish organisational objectives
- b) Boost accuracy of standards.
- c) Judges accuracy of standards
- d) All of the above

A

9. Budgetary control requires the preparation of

- | | |
|-----------------------|---------------------------|
| a) Training scheduled | b) Budgets |
| c) Network diagram | d) Responsibility centres |

A

10. What is ration analysis?

A

SECTION - B

II TWO marks questions

1. Give the meaning of Break- even- analysis?

A

2. What is Responsibility accounting?

A

3. What do you mean by Budgetary control?

A

4. What is MIS?

A

5. State any two traditional techniques of management control.

A

6. State any two modern techniques of managerial control?

A

SECTION - C

III Four marks questions

1. Explain briefly the steps involved in controlling process?

A

2. Explain the limitations of controlling?
A

3. A good control system helps an organisation in many ways justify the statement with any four points?
A

CHAPTER - 9
FINANCIAL MANAGEMENT
PART - A

I One mark questions

1. A decision to require a new & modern plant to upgrade an old one is a
a) financial decision b) working capital decision
c) investment decision d) none of the above

A

2. State the objectives / aim of financial management

A

3. Give an example for fixed asset.

A

4. What is Business finance?

A

5. What is capital structure?

A

6. Give an example for current asset.

A

7. Write the meaning of financial risk

A

8. The cheapest source of finance is
a) debenture b) equity share capital
c) preference share d) retained earning

A

9. Current assets are those assets which get converted into cash.
a) within six months b) within one year
c) between one and 3 years d) between 3 and 5 years

A

10. What is financial decision?

A

11. What is Fixed capital?

A

12. What is Working capital?

A

13. State any one factors influencing working capital?

A

14. State any one factors influencing fixed capital

A

PART - B

II Two marks questions

1. How do you understand by Financial management?

A

2. Give the meaning of dividend decision.

A

3. Give the meaning of investment decision with an example.

A

4. What is Financing decision? Give an examples.

A

5. State the twin objectives of Financial planning.

A

6. What is Financial Leverage? Write the formula to calculate the financial Leverage.

A

7. Give the meaning of trading on equity.

A

PART - C

III Four marks questions

1. Explain the importance of financial planning with any four points

A

2. Explain any four factors affecting financing decision.

A

3. Explain any four factors affecting the fixed capital requirement of an organisation.

A

4. Explain any four factors affecting dividend decision some of the important factors affecting dividend decision are.

A

5. Explain Financial decision:
Type of financial decision are:
a) Investment decision
b) Financial decision
c) Dividend decision

6. What is Capital budgeting decision? Explain briefly the factors affecting capital budgeting decision.

A

PART - D

IV Eight marks questions

1. Explain the factors affecting the working capital requirement of business.

A

2. Explain the objectives of Financial management:

A

PART - D

V Practice Oriented questions

1. As a financial consultant give the list of any ten factors which affect the choice of capital structure. Following is the list of factors which affect the choice of capital structure

- | | | |
|-------------------------------|---------------------------|------------------|
| a)Cash flow position | b)Interest coverage ratio | |
| c)Debt service coverage ratio | d)Return of investment | |
| e)Cost of debt | f)Tax rate | g)Cost of equity |
| h)Flotation of costs | i)Risk consideration | |
| j)Flexibility | k)Control | |
| l)Regulatory framework. | | |