

OPEN STUDENT FOUNDATION
Std-12 Business Administration
Day - 2

Chapters : 1

Date : 19/02/24

Section A

- Choose correct answer from the given options. [Each carries 1 Mark] [9]
1. Who are involved in top-level management? (March-2018, July-2022)
(A) Experts (B) Workers (C) Departmental heads (D) Board of directors
 2. What does management association frame for its own profession? (July-2018, July-2022)
(A) Inconsistency (B) Improper (C) Code of thought (D) Code of conduct
 3. Which of the following is not included in any of the level of management? (March-2019)
(A) Supervisor (B) Jobber (C) Worker (D) Accountant
 4. Which one of the following is not involved in human resources ? (July-2019)
(A) Repair and maintenance (B) Training and development
(C) Promotion and transfer (D) Recruitment and selection
 5. If planning is the brain of business then what is Administration? (March-2020, Aug-2020)
(A) Heart (B) Limbs (C) Physical structure (D) Blood
 6. In terms of activity, how can one define the management? (May-2021)
(A) Universal (B) Ineffective (C) Goal-oriented (D) Transparent
 7. What is called the art of taking work from another person? (March-2022)
(A) Planning (B) Management (C) Directing (D) Co-ordination
 8. What is the simplest method of implementing knowledge? (March-2023)
(A) Business (B) Science (C) Art (D) Directing
 9. What is another name for the bottom level? (May-2021)
(A) Operational level (B) Employee level (C) Policy level (D) Officers level

Section B

- Write the answer of the following questions. [Each carries 1 Mark] [6]
10. State the full name of IIM. (March-2018 , Aug-2020, March-2022)
 11. What is other name of middle level of management? (July-2018, March-2019, July-2019)
 12. Which level of management does the function of machinery layout and repairing? (March-2020, May-2021)
 13. Which properties are included in the product mix? (March-2023)
 14. Write the full form of M.B.A. (May-2021)
 15. Which fields are developed through management? (July-2022)

Section C

- Write the answer of the following questions. [Each carries 2 Marks] [10]
16. Explain - Management is a Science. (March-2018, July-2018 , March-2019)
 17. Who are included in the Top Level Management ? (July-2019, May-2021, March-2022)
 18. How does management benefit the society? (March-2020, July-2022)

19. Discuss various elements of price-mix. (Aug-2020, May-2021)
20. What is co-ordination? (May-2021, July-2022, March-2023)

Section D

- Write the answer of the following questions. [Each carries 3 Marks] [12]
21. Explain that management is a profession. (July-2019, July-2022)
 22. State any six functions of financial management. (July-2019, Aug-2020)
 23. Give the meaning of marketing management and state its functions. (May-2021)
 24. Write names of various Levels of Management with their figures and functions. (March-2022, July-2022)



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- ➡ Ans : (C)
2. **What does management association frame for its own profession? (July-2018, July-2022)**
(A) Inconsistency (B) Improper (C) Code of thought (D) Code of conduct
- ➡ Ans : (D)
3. **Which of the following is not included in any of the level of management? (March-2019)**
(A) Supervisor (B) Jobber (C) Worker (D) Accountant
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- ➡ Ans : (A)
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(A) Heart (B) Limbs (C) Physical structure (D) Blood
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(A) Universal (B) Ineffective (C) Goal-oriented (D) Transparent
- ➡ Ans : (A)
7. **What is called the art of taking work from another person? (March-2022)**
(A) Planning (B) Management (C) Directing (D) Co-ordination
- ➡ Ans : (B)
8. **What is the simplest method of implementing knowledge? (March-2023)**
(A) Business (B) Science (C) Art (D) Directing
- ➡ Ans : (C)
9. **What is another name for the bottom level? (May-2021)**
(A) Operational level (B) Employee level (C) Policy level (D) Officers level
- ➡ Ans : (A)

Section B

- **Write the answer of the following questions. [Each carries 1 Mark]** **[6]**
10. **State the full name of IIM. (March-2018 , Aug-2020, March-2022)**

- ➡ The full name of IIM is Indian Institute of Management.
- 11. What is other name of middle level of management? (July-2018, March-2019, July-2019)
- ➡ The middle level of management is also known as officers' level of management.
- 12. Which level of management does the function of machinery layout and repairing? (March-2020, May-2021)
- ➡ The function of machinery layout and repairing is done at the bottom level of management.
- 13. Which properties are included in the product mix? (March-2023)
- ➡ Product mix includes appearance, color, size, shape, weight, print, packing, guarantee of work after sales & services and verity of product.
- 14. Write the full form of M.B.A. (May-2021)
- ➡ The full name of M.B.A. is Master of Business Administration.
- 15. Which fields are developed through management? (July-2022)
- ➡ Management is essential in the field of industrial, social, religious, political, agricultural, military, sports, and the development of educational sectors activities.

Section C

- Write the answer of the following questions. [Each carries 2 Marks] [10]
- 16. Explain - Management is a Science. (March-2018, July-2018 , March-2019)
- ➡ **Meaning of Science** : Science is the systematic and logical knowledge of a particular subject, based on which rules can be derived to demonstrate causal relationships.
- ➡ **Management as a Science** : Management has the characteristics of science such as systematic knowledge, universality, causal relationship, facts, analysis and experiment, verification of rules, etc. Management has its own unique principles just like science. Through these principles, Men, Machines, Money, Methods, etc. are used properly. Thus, Management is a Science.
- ➡ Dr. George R. Terry states that, "Science teaches one to know."
- 17. Who are included in the Top Level Management ? (July-2019, May-2021, March-2022)
- ➡ Top level management includes the authority who frames important policy and take proper decisions for the business.
- ➡ This level includes the Management Board, Managing Director, General Manager, C.E.O. etc.
- 18. How does management benefit the society? (March-2020, July-2022)
- ➡ Management provides the following benefits to the society.
 - (1) The success of a business increases the prosperity and welfare of the society.
 - (2) A business unit produces different goods or services and increases employment opportunities.
 - (3) A business unit produces goods at low cost and sells goods to society at lower prices.
- 19. Discuss various elements of price-mix. (Aug-2020, May-2021)
- ➡ Price mix includes the factors such as credit policy, sales policy, discount policy, wholesale or retail sale policy, commission of intermediates, wholesale or retail sales etc.
- 20. What is co-ordination? (May-2021, July-2022, March-2023)
- ➡ Co-ordination is to bring co-ordination and harmony among the different functions carried out by different departments in the business unit.
- ➡ Co-ordination is the soul of management.
- ➡ Co-ordination is essential in all processes from planning to controlling.

With the help of co-ordination, no work remains incomplete or duplicated.

Section D

● Write the answer of the following questions. [Each carries 3 Marks] [12]

21. Explain that management is a profession. (July-2019, July-2022)

⇒ Business is an activity where specialized knowledge in a specific field is acquired and used for the welfare of the entire society. Fees are charged to the society for it. So Management is also a profession. For example, doctors, lawyers, teachers, CA, engineers, etc.

⇒ Characteristics of a profession

(1) Require a specific knowledge

⇒ The profession requires specific knowledge or skills as well as a degree. For example, management requires specific knowledge or skills also with B.B.A and M.B.A. degrees.

(2) Increase in knowledge and research

⇒ Like in every profession, there is an increase in knowledge and research due to experience and training in management.

(3) Professional Association :

⇒ All professionals form their associations. Management, in the same way, has its own association, too. It gives education and training in management. IIM (Indian Institute of Management) provides management education in India. This institute works for the development of the profession of management.

⇒ For example, doctors have formed the I.C.M.A. (Indian Council of Medical Association), just as management has formed the I.M.A (Indian Management Association).

(4) Implementation of code of conduct

⇒ Like a Professional association, each of the management associations frames code of conduct for their members. All members must follow the code of conduct.

(5) Moral Responsibilities

⇒ Every professional person has a responsibility towards the society as the management also has a responsibility towards the society. For example, the doctors take care of their patients; C. A has to remain faithful with not to reveal the information of his client

⇒ Thus, from the above characteristics, it is clear that management is a profession that benefits the individual, the society as well as the nation.

22. State any six functions of financial management. (July-2019, Aug-2020)

⇒ The business or unit cannot exist without finance. The following are the functions of financial management :

(1) To estimate the financial needs.

(2) To make financial plans from the point of view of time duration.

(3) To prepare a budget.

(4) To allocate funds.

(5) To decide on capital structure and to select sources of acquisition of capital.

(6) To carry out the procedure for acquiring the finance.

(7) To see that the acquired funds are properly utilized and to keep control over financial activities.

(8) To form financial policy.

(9) To plan taxes.

(10) To make arrangements of assets.

23. Give the meaning of marketing management and state its functions. (May-2021)

Marketing management is the activity of providing goods or services from producers to customers. Marketing management includes market research, distributive method, sales promotion, storage, insurance, etc. besides the exchange of goods with money.

The functions of marketing management are divided into four parts which are as follows:

(1) **Product-Mix :**

Product-Mix means the production of two or more items. If two or more items are produced in a unit then the issues of color, shape, size, shape, quality, packing, etc. of the item are considered.

(2) **Price :**

In modern times, a customer expects the availability of better quality goods at a reasonable rate. Therefore, utmost care should be taken while deciding the price of the product. The price decision includes sales policy, credit policy, policy regarding discount, wholesale or retail sale, and also commission to mediators, etc. are also considered.

(3) **Distribution :**

All possible distribution channels are considered while delivering the manufactured goods to its final customers, which include wholesalers or retail agents, transportation, selling through own shops, etc. It depends on the size and scope of the business.

(4) **Promotion :**

Promotion means trying to increase sales. Promotion includes things like advertising, publicity, personal selling, and sales promotion.

The promotional activities are expensive but it helps the business unit to increase their sales and hence the profit, too.

24. Write names of various Levels of Management with their figures and functions. (March-2022, July-2022)

There are three levels of Management.

(1) Top Level Management

(2) Middle Level Management

(3) Bottom Level Management

The Diagram of different levels is as follow :



(1) **Top Level of Management :**

Important policy decisions of a business are taken at the top level. These Top-Level Management functions are as follows :

(1) To lay down the primary and subsidiary objectives of the business.

- (2) Directors act as the trustees of the business enterprise.
- (3) To select Chief Executive Officer and higher officers and to assign them authority and responsibility.
- (4) To sanction the budget prepared by different departments.
- (5) To abide by the law and to take care of the interest of different stakeholders of the business.
- (6) To take strategic decisions by making long-term plans.
- (7) To analyze and resolve complex problems of management as per legal provisions.
- (8) To plan for the enterprise, its implementation and to supervise it.
- (9) To do functions like distribution of profit, dividend, reserve fund, re-investment of profit, etc.
- (10) To analyze reports of different activities and to give instructions accordingly.

(2) Middle Level of Management :

⇒ The functions of the Middle Level of Management are as follows :

- (1) To implement the orders and instructions given by Chief Executive Officers.
- (2) To prepare a budget by each departmental head and present it before the Top Level Management.
- (3) To formulate policies, rules and structure for the accomplishment of enterprise objectives.
- (4) To decide necessary method for it, to analyse it and to decide appropriate measures or criterion for it.
- (5) To take necessary steps to increase efficiency and effectiveness of departmental activities.
- (6) To make attempts to enthuse the employees of department.
- (7) To keep in constant touch with the officers of the other departments and establish Co-ordination.
- (8) To focus on functioning of sub-divisions.
- (9) To supervise the functions of the departments, get information, provide directions and pass on information to the top level management.
- (10) To help the top level management in taking policy decisions.

(3) Bottom Level of Management :

⇒ The Bottom Level of Management follows the decisions made at the Top Level Management. In this level of management, supervisors, foremen, and workers, etc. are involved.

⇒ The functions of the Bottom Level of Management are as follows :

- (1) To supervise function of employees.
- (2) To see that there remains discipline among employees and their morale is boosted.
- (3) To plan the routine work of the department.
- (4) To perform functions related to employees like transfer, promotion, training, etc.
- (5) To get instructions, orders, and programs from the departmental officers to carry out the departmental functions.
- (6) To perform the functions like the layout, repair, and maintenance of machinery.
- (7) To make arrangements for necessary equipment, raw materials, etc. for the workers.
- (8) To solve the genuine problems of workers.
- (9) To implement decisions and policies decided by the Top Level of Management.
- (10) To forward reports of various activities taking place at the Bottom Level of Management, suggestions, and complaints of employees to the Middle Level of Management