



INDIAN SCHOOL AL WADI AL KABIR

DEPARTMENT OF COMMERCE

ASSESSMENT 1 -XII 2025-26

BUSINESS STUDIES (054)

Date: /09/2025

Time: 3 hours


Marks: 80

GENERAL INSTRUCTION:


1. This question paper contains 34 questions.
2. Marks are indicated against each question.
3. Answers should be brief and to the point.
4. Answers to the questions carrying 3 marks may be from 50 to 75 words.
5. Answers to the questions carrying 4 marks may be about 150 words.
6. Answers to the questions carrying 6 marks may be about 200 words.
7. Attempt all parts of the questions together.

	PART A	
1	<p>Ramarjuna joins an IT firm as a system analyst after completing his masters in Computer Science. As the nature of his work demands he has to work in very close coordination with all the departmental heads in the firm, very soon Ramarjuna realizes that each departmental head has own individual style of working. They differ greatly in their day-to-day approach to work. They tend to deal with a given situation, an issue or a problem through a combination of their own experience, creativity, imagination, initiative and innovation. In the context of the above case, identify and explain the nature of management highlighted in the above case.</p> <p>a. Science b. Profession c. Art d. None of the above</p>	1
2	<p>Geetika is working in a private sector bank. One of her key function relates to the formulation of the overall organizational goals and strategies of the bank. Identify the level of management at which she is working?</p> <p>a. Middle level b. Top level c. Supervisory level d. Both b&c</p>	1
3	<p>Pakka employment is a company which takes care of the fact that the confidence of the employees should always be at its peak. For this reason, they give surety to their</p>	1

	<p>employees for employment for a minimum fixed tenure of time. Which principle of management is followed here?</p> <p>a. Order b. Discipline c. Esprit De Corps d. Stability of personnel</p>	
4	<p>Every year a meeting is organized in the lawns of the owner of a company. In this meeting the owner of the company grants some funds for the benefit of the families of the employees. The employees on the other hand never resist any change or put excessive demands. The general environment in the company is very supportive to the employees. The employee turnover ratio is very low. Which concept of management is discussed here?</p> <p>a. Mental Revolution b. Initiative c. Gang Plank d. Scalar Chain</p>	1
5	<p>A company is a component of market. It utilizes various raw materials, labour force, human resources, power, water, other sources, etc. When all these resources are utilized, output is produced. But before output is produced the input has to go through various operations. These operations convert the raw materials into final products which are then sold in the market. In the above paragraph which importance of Business Environment is highlighted? The importance of business environment which is highlighted above is _____.</p> <p>a. Helps in tapping useful resources b. It enables the firm to identify opportunities c. Getting the first mover advantage d. It helps the firm to identify threats and early warning signals</p>	1
6	<p>It's high time that the government should finalize the industrial and monetary policies. The various economic indices like national income, per capita income, rate of savings and investment, etc. should be taken care of while deciding any economic plans for future. Which concept can be seen discussed in the above paragraph?</p> <p>a. Political Environment b. Technological Environment c. Social Environment d. Economic Environment</p>	1

7	 <p>What type of plan is depicted in this picture?</p> <ol style="list-style-type: none"> Budget Policy Programme Rule 	
8	<p>Naman is a very intelligent planner. He knows the market pretty well. For last 15 years he has been leading several successful projects for his company. Company gives him responsibility to start a new project in S. America. With his experience he makes assumptions about all the possible future scenarios. Which step of the planning process is the above paragraph related to?</p> <ol style="list-style-type: none"> Implementing the plan Evaluating alternate courses of action Developing Premises Setting Objectives 	1
9	<p>'Rats & Fleas' is a pesticide producing company. The company identifies the various types of activities to be done. For this it divides the work into various departments. The company then gets involved in its business with a lot of zeal. After one year of successful run the company decides to transfer the decision-making authority to the lower most level of the employees. For this a major policy decision is taken. Identify the function of management highlighted above.</p> <ol style="list-style-type: none"> Organising Decentralisation Directing Planning 	1
10	<p>Identify the correct sequence of steps to be followed in an organising process</p> <ol style="list-style-type: none"> Departmentalisation, Establishing reporting relationships, Assignment of duties, Identification and division of work. Identification and division of work, Departmentalisation, Assignment of duties, Establishing reporting relationships. Identification and division of work, Assignment of duties, departmentalisation, Establishing reporting relationships. 	1

	d. Identification and division of work, Establishing reporting relationships, Departmentalisation, Assignment of duties.	
11	<p>Concentration of decision-making functions at the apex of management hierarchy is called _____.</p> <p>a. Decentralisation. b. Delegation c. Organisational structure. d. Centralisation</p>	1
12	<p>The expansion and growth is easier as new units can be adjusted without disturbing the ongoing operations. Identify the type of organisation structure.</p> <p>a. Functional b. Divisional c. Formal d. Informal</p>	1
13	<p>In a leading manufacturing company, there was a meeting regarding the importance of a function of management which was very much required in meeting the growing needs of good employees and solving complicated issues related with human behavior at the workplace. Which function of management is indicated here in the above case?</p> <p>a. Directing b. Organising c. Staffing d. Planning</p>	1
14	<p>Alpha Enterprises is a company manufacturing water geysers. The company has a functional structure with four main functions-Production, Marketing, Finance and Human Resource. As the demand for the product grew, the company decided to hire more employees. Identify the concept which will help the Human Resource Manager in deciding the actual number of persons required in each department.</p> <p>a. Work committee b. Workforce analysis c. Workload analysis d. Both b&c</p>	1
15	<p>Aditya Rubbers is thinking of knowing the worth of its employees but it is unable to do so yet. The firm now has decided to include a step in its staffing process through which it can judge the performance of its employees. Name the step the organization will include.</p> <p>a. Recruitment b. Selection c. Performance appraisal d. Placement&Orientation</p>	1

16	 <p>Identify the source of recruitment depicted in the above image</p> <p>a. Employment Exchange b. Placement Agencies c. Campus Recruitment d. Web Publishing</p>	1
17	<p>The motivation theory which classifies needs in hierarchical order is developed by_____.</p> <p>a. Taylor b. Fayol c. Drucker d. Maslow</p>	1
18	<p>The process of converting the message into communication symbol is known as_____.</p> <p>a. Encoding b. Decoding c. Feedback d. Both a&b</p>	1
19	<p>Which of the following is not a non-financial incentive?</p> <p>a. Status b. Job enrichment c. Bonus d. Employee progress</p>	1
20	<p>Which of the following statements is not true regarding Democratic Style of Leadership?</p> <p>a. The leader supports and respects the subordinates' opinion. b. The leader exercises more control by using forces within the group. c. The leader gives orders and insists that they are obeyed. d. The leader encourages subordinates to participate in decision making.</p>	1

21	<p>Differentiate between contributions made by F.W.Taylor and Henry Fayol on any three basis.</p> <p>Fayol: Then and Now</p> <p>Now let us see what Fayol's principles means in the contemporary business situations especially service based and high tech economies like USA. Carl A. Rodrigues of Mont Clair State University, Upper Montclair, New Jersey, USA has come out with the following conclusions in his paper "Fayol's 14 Principles of Management: Then and Now- A Framework For Managing Today's Organisations Effectively" published in Journal "Management Decision" 39/10(2001) PP 880-889.</p> <table><thead><tr><th></th><th>Name of Principle</th><th>THEN</th><th>NOW</th></tr></thead><tbody><tr><td>1.</td><td>Division of Work</td><td>Specialisation in workers' job design</td><td>Generalisation in workers' job design</td></tr><tr><td>2.</td><td>Authority & Responsibility</td><td>Managers are empowered</td><td>Employees are empowered</td></tr><tr><td>3.</td><td>Discipline</td><td>Formalised Controls</td><td>Informal, Peer pressure controls</td></tr><tr><td>4.</td><td>Unity of Command</td><td>Subordinates report to only one boss</td><td>Subordinates report to multiple bosses</td></tr><tr><td>5.</td><td>Unity of Direction</td><td>Functions have only one plan and one boss</td><td>Functions have multiple plans and multiple bosses</td></tr><tr><td>6.</td><td>Subordination of individual interest to common good</td><td>Employees are committed to the organisation</td><td>Organisation is committed to the employees and vice versa</td></tr><tr><td>7.</td><td>Remuneration of personnel</td><td>Reasonable Pay reward system</td><td>Performance based reward system</td></tr><tr><td>8.</td><td>Centralisation</td><td>Trickle down decision making</td><td>Task relevant ad hoc decision making</td></tr><tr><td>9.</td><td>Scalar Chain</td><td>Hierarchical, formalised communication channel</td><td>Less formalised, flatter communication structure.</td></tr><tr><td>10.</td><td>Order</td><td>Internal information system for control purposes</td><td>Internal information system for coordination purposes.</td></tr><tr><td>11.</td><td>Equity</td><td>Commitment obtained through kindness</td><td>Commitment obtained through a sense of ownership</td></tr><tr><td>12.</td><td>Stability of tenure of personnel</td><td>Train employees and encourage them to remain</td><td>On-going employee training and development</td></tr><tr><td>13.</td><td>Initiative</td><td>Managers conceive and implement new ideas</td><td>Workers conceive and implement new ideas</td></tr><tr><td>14.</td><td>Espirit de corps</td><td>Maintaining high morale among employees is imperative</td><td>Maintaining high morale among employees is not an imperative</td></tr></tbody></table>		Name of Principle	THEN	NOW	1.	Division of Work	Specialisation in workers' job design	Generalisation in workers' job design	2.	Authority & Responsibility	Managers are empowered	Employees are empowered	3.	Discipline	Formalised Controls	Informal, Peer pressure controls	4.	Unity of Command	Subordinates report to only one boss	Subordinates report to multiple bosses	5.	Unity of Direction	Functions have only one plan and one boss	Functions have multiple plans and multiple bosses	6.	Subordination of individual interest to common good	Employees are committed to the organisation	Organisation is committed to the employees and vice versa	7.	Remuneration of personnel	Reasonable Pay reward system	Performance based reward system	8.	Centralisation	Trickle down decision making	Task relevant ad hoc decision making	9.	Scalar Chain	Hierarchical, formalised communication channel	Less formalised, flatter communication structure.	10.	Order	Internal information system for control purposes	Internal information system for coordination purposes.	11.	Equity	Commitment obtained through kindness	Commitment obtained through a sense of ownership	12.	Stability of tenure of personnel	Train employees and encourage them to remain	On-going employee training and development	13.	Initiative	Managers conceive and implement new ideas	Workers conceive and implement new ideas	14.	Espirit de corps	Maintaining high morale among employees is imperative	Maintaining high morale among employees is not an imperative	3
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22	<p>ABCDEF Ltd. has decided to become the market leader in selling water bottles. The company decides to take care of all the departments. The top management decides to set standards for all the business activities right from the purchase of raw material to manufacturing and packaging of the water bottles.</p> <p>a. Which scientific technique of management is used here? b. List any (2) objectives of this technique.</p> <p>Answer: The scientific technique used is 'Standardization'.</p> <p>The objectives of standardisation are:</p> <p>(i) To reduce a given line or product to fixed types, sizes and characteristics. (ii) To establish interchange ability of manufactured parts and products. (iii) To establish standards of excellence and quality in materials. (iv) To establish standards of performance of men and machines.</p>	3																																																												
23	<p>A.Anju and Manju are good friends. Considering the fact that the activities involved in managing an enterprise are common to all organizations, after completing their masters in business management, both of them take up a job at managerial level in different organizations as per their individual areas of interest. Anju takes up a marketing job in a retail company and strives to increase sales whereas Manju joins an NGO and works diligently to realize its objective related to providing employment to especially abled persons. Both of them have to perform a series of continuous, composite, but separate functions. On some days, Anju may spend more</p>	3																																																												

	<p>time in planning a future display layout and on another day, she may spend time in sorting out an employee's problem. Both Anju and Manju make conscious efforts to build a feeling of team spirit and coordination among diverse individuals with different needs who work under them. The effect of their management is noticeable in their respective departments as the targets are met according to plans, employees are happy and satisfied, and there is orderliness in its functioning rather than chaos. In context of the above case: Identify any(3) features of management highlighted in the above paragraph by quoting lines from it.</p> <p>OR</p> <p>B.The General manager of a reputed organisation, Mr. Agastaya Lokhande, made the following announcement at the Annual General Meeting of the company- “When we think of a brand, we think of reputation, but the reputation is made or broken by the quality of products and customer representation. If people are miserable, they can't give their best work and the brand suffers. On the contrary, positive results can be observed if there is job satisfaction, effective and efficient functioning.”</p> <p>Explain any three reasons that make management important to any organisation.</p> <p>A. Answer. The various features of management highlighted in the above paragraph are stated below:</p> <ol style="list-style-type: none"> 1. Management is all pervasive: “Considering the fact that the activities involved in managing an enterprise are common to all organizations, after completing their masters in business management, both of them take up a job at managerial level in different organizations as per their individual areas of interest.” 2. Management is a goal-oriented process: “Anju takes up a marketing job in a retail company and strives to increase sales whereas Manju joins an NGO and works diligently to realize its objective related to providing employment to especially abled persons.” 3. Management is a continuous process: “Both of them have to perform a series of continuous, composite, but separate functions. Like on some days, Anju may spend more time in planning a future display layout and on another day, she may spend time in sorting out an employee's problem.” 4. Management is a group activity: “Both Anju and Manju make conscious efforts to build a feeling of team spirit and coordination among diverse individuals with different needs who work under them.” 5. Management is an intangible force: “The effect of their management is noticeable in their respective departments as the targets are met according to plans, employees are happy and satisfied, and there is orderliness in its functioning rather than chaos.” 	
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	<p>B.Importance of management: (Any three)</p> <ul style="list-style-type: none"> • Management helps in achieving group goals: Management is required not for itself but for achieving the goals of the organisation. The task of a manager is to give a common direction to the individual effort in achieving the overall goal of the organisation. • Management increases efficiency: The aim of a manager is to reduce costs and increase productivity through better planning, organising, directing, staffing and controlling the activities of the organisation. • Management creates a dynamic organisation: All organisations have to function in an environment which is constantly changing. It is generally seen that individuals in an organisation resist change as it often means moving from a familiar, secure environment into a newer and more challenging one. Management helps people adapt to these changes so that the organisation is able to maintain its competitive edge. • Management helps in achieving personal objectives: A manager motivates and leads his team in such a manner that individual members are able to achieve personal goals while contributing to the overall organisational objective. • Management helps in the development of society: An organisation has multiple objectives to serve the purpose of the different groups that constitute it. In the process of fulfilling all these, management helps in the development of the organisation and through that it helps in the development of society. 	
24	<p>‘Aasmaan Colors’ is a profit-making color producing company. The company deals in making different types of colors used in painting. The organization has always been systematic in its approach and due to good organizing has seen a continuous increase in its revenue. Workers are given their respective jobs clearly which leads to gaining of experience since they do their respective jobs on a regular basis leading to high productivity. The organization has many challenges and it wants to improve. There is no doubt in the lines of communication and everyone knows who has to report whom. With passage of time, there is more need to connect with the employees. They are the most important asset to the organization. When managers delegate work to their subordinates, they set themselves free from routine jobs and this leads to great amount of learning for the subordinates in practical situations. Identify the (3) merits of organizing that has been highlighted in the above case by quoting the lines?</p> <p>Answer: The importance of organizing highlighted in the above case:</p> <ol style="list-style-type: none"> 1. Benefits of specialization. Workers are given their respective jobs clearly which leads to gaining of experience since they do their respective jobs on a regular basis leading to high productivity. 2. Clarity of working relationships. There is no doubt in the lines of communication and everyone knows who has to report to whom. 3. Development of personnel. When managers delegate work to their subordinates they set themselves free from routine jobs and this leads to great amount of learning for the subordinates in practical situations. 	3

25	<p>A. In order to streamline the selection procedure, so as to minimise the margin of errors, certain tests are carried out that attempt to measure the characteristics of individuals. Explain any four such tests.</p> <p>OR</p> <p>B. Since jobs have become more complex, the importance of employee training has increased. Training programmes provide numerous benefits to workers. Explain any four points that support this statement.</p> <p>A.</p> <p>Intelligence Tests: This is one of the important psychological tests used to measure the level of intelligence quotient of an individual. It is an indicator of a person's learning ability or the ability to make decisions and judgments.</p> <p>Aptitude Test: It is a measure of an individual's potential for learning new skills. It indicates the person's capacity to develop.</p> <p>Personality Tests: Personality tests provide clues to a person's emotions, her reactions, maturity and value system etc. These tests probe the overall personality. Hence, these are difficult to design and implement.</p> <p>Trade Test: These tests measure the existing skills of the individual. They measure the level of knowledge and proficiency in the area of professions or technical training. The difference between aptitude test and trade test is that the former measures the potential to acquire skills and the later the actual skills possessed.</p> <p>Interest Tests: Every individual has a fascination for some job more than the other. Interest tests are used to know the pattern of interests or involvement of a person.</p> <p>OR</p> <p>B.</p> <p>Benefit of training to workers:</p> <ul style="list-style-type: none"> • Improved skills and knowledge due to training lead to better careers for the individual. • Increased performance by the individual helps him to earn more. • Training makes the employee more efficient to handle machines. Thus, less prone to accidents. • Training increases the satisfaction and morale of employees. 	4
26	<p>A. Explain the steps that emerge in the process of organising.</p> <p>OR</p> <p>B. Differentiate between functional structure and divisional structure on the basis of:</p> <p>(I) Formation (II) Specialisation (III) Responsibility (IV) Managerial development</p> <p>A.</p> <p>1. Identification and Division of Work:</p>	4

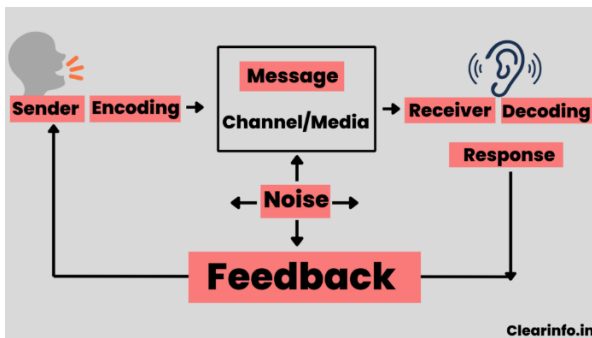
	<p>The function of organising starts with the identification of the total work which is to be done to achieve the organisational goal. The work is divided systematically so that each person gets a separate task to perform. This helps to avoid unnecessary duplication and wastage of efforts and facilitates the specialization of efforts and skills.</p> <p>2. Departmentalisation:</p> <p>Once the identification and division of work are done. The next step is to combine group-related activities into units and departments. This process of grouping similar and related activities into groups of large independent units or departments is known as departmentalisation. The grouping may be done on the basis of function, product, customer, etc.</p> <p>3. Assignment of Duties:</p> <p>After grouping various activities into departments, the next step is necessary to allocate the work of different employees. Duty should be assigned based on the knowledge, qualification, experience, and capability of the individual. There should be a proper match between job requirements and the capabilities of employees.</p> <p>4. Establishing Reporting Relationship:</p> <p>After assigning duty, the next step is to clearly define the authority and responsibility of the employees. If two or more person is working together for a common goal, then it is necessary to define the relationship between them in clear terms. There is a need to create a hierarchical structure and help in coordination among various departments.</p> <p>OR</p> <p>B.</p> <table border="1"> <caption>Difference between Functional and Divisional Structure</caption> <thead> <tr> <th>Basis</th><th>Functional structure</th><th>Divisional structure</th></tr> </thead> <tbody> <tr> <td>Formation</td><td>It is formed on the basis of functions performed in the organisation.</td><td>It is formed on the basis of product line, territory or region.</td></tr> <tr> <td>Specialisation</td><td>It leads to functional specialisation.</td><td>It leads to product specialisation.</td></tr> <tr> <td>Managerial development</td><td>It does not help in managerial development as functional manager lacks autonomy.</td><td>It helps in managerial development, as they have autonomy and knowledge of varied aspects of a product.</td></tr> <tr> <td>Cost</td><td>It is economical as there is no duplication.</td><td>It is costlier, as there is duplication of resources.</td></tr> <tr> <td>Responsibility</td><td>It is difficult to fix responsibility on one department</td><td>It is easier to fix responsibility on each division.</td></tr> </tbody> </table>	Basis	Functional structure	Divisional structure	Formation	It is formed on the basis of functions performed in the organisation.	It is formed on the basis of product line, territory or region.	Specialisation	It leads to functional specialisation.	It leads to product specialisation.	Managerial development	It does not help in managerial development as functional manager lacks autonomy.	It helps in managerial development, as they have autonomy and knowledge of varied aspects of a product.	Cost	It is economical as there is no duplication.	It is costlier, as there is duplication of resources.	Responsibility	It is difficult to fix responsibility on one department	It is easier to fix responsibility on each division.	
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27	<p>‘Classic Rocks’ is a pioneering advertisement making company. Mr. Anuj is a dynamic manager who has recently joined the organisation. He receives complete support from the management. There is proper infrastructure, planning mechanism and subordinate support. He gives orders and starts the actual working of a new unit from the 1st of May. His schedule becomes very hectic. The demanding work involves him almost throughout the day. He is busy giving messages, talking to his subordinates or seniors, etc. throughout the day. One day he meets his friend Vijay</p>	4																		

	<p>who is working at the lower level management though he himself is a part of middle level management. He finds that even Vijay is involved in communicating and supervising his employees throughout the year though he works at the lower level management. Similar is the case with his seniors working at the higher level management. He feels relaxed after knowing this and continues his work with even more dedication.</p> <ol style="list-style-type: none"> 1. Which function of management is highlighted in the above case? 2. Identify the three features of this function of management highlighted in the above case by quoting the lines. <p>A.1.Directing</p> <p>2. The features of directing highlighted in the above case are:</p> <ol style="list-style-type: none"> 1. Directing initiates action. He gives orders and starts the actual working of a new unit from the 1st of May. 2. Directing takes place at every level of management. He finds that even Vijay is involved in communicating and supervising his employees throughout the year though he works at the lower-level management. Similar is the case with his seniors working at the higher level of management. 3. Directing is a continuous process. He is busy giving messages, talking to his subordinates or seniors, etc. throughout the day. 	
28	<p>Identify the elements of directing in the following cases:</p> <ol style="list-style-type: none"> 1. Arun who is the departmental head of his organisation decides to improve the performance of his department. He decides to give some financial and non financial incentives to his subordinates. He knows these incentives will satisfy their needs. Therefore they will be stimulated to take actions from their side. 2. Rajeev is an HR manager leading a team of 12 people. He knows that the duties and responsibilities of an HR employee are challenging. He knows in order to make his team work with a positive frame of mind, he will have to set a personal example as a role model and influence their behaviour and working style to increase the output of his team. 3. Priya and Raghav are discussing about an element of directing. They say that without this element no group or people can achieve a common understanding. This element requires effort from both the sides and consumes 90% of the time of a manager. 4. Rajesh who works at the shop floor is a lower level manager. He is heading a team of 25 workers. He oversees and guides their efforts on a regular basis and tries to maximize the output of his unit by timely giving them feedback. His team has group unity and works with dedication to complete their targets on time. <p>Answer :</p> <ol style="list-style-type: none"> 1.Motivation 2.Leadership 3.Communication 	4

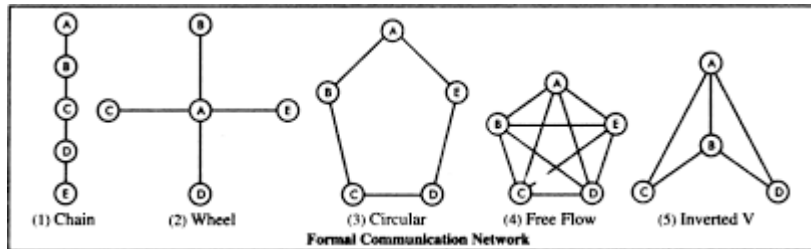
	4. Supervision	
29	<p>Two years ago Madhu completed her degree in food technology. She worked for some time in a company manufacturing chutney, pickles and murabbas. She was not happy in the company and decided to have her own organic food processing unit for the same. She set the objectives and the targets and formulated action plan to achieve the same. One of her objectives was to earn 10% profit on the amount invested in the first year. It was decided that raw materials like fruits, vegetables, spices, etc. will be purchased on three months' credit from farmers cultivating organic crops only. She also decided to follow the steps required for marketing of the products through her own outlets. She appointed Mohan as a production Manager who decides the exact manner in which the production activities are to be carried out. Mohan also prepared a statement showing the number of workers that will be required in the factory throughout the year. Madhu informed Mohan about her sales target for different products, area wise for the forthcoming quarter. While working on the production table a penalty of 100 per day for not wearing the caps, gloves and apron was announced. Quoting lines from the above para identify any (4) different types of plans discussed.</p> <p>Answer: The different types of plans are:</p> <ol style="list-style-type: none"> 1. 'One of the objectives was to earn 10% profit on the amount invested in the first year.' Objective. 2. 'Raw materials like fruits, vegetables, spices, etc. will be purchased on three months credit from farmers cultivating organic crops only.' Policy. 3. 'To follow the steps required for marketing of the products.' Procedure. 4. 'Statement showing the number of workers that will be required in the factory throughout the year.' Budget 5. 'Penalty off 100 per day for not wearing the caps, gloves and apron.' Rule. 	4
30	<p>ABCDEF Ltd. decided to start its new venture in Delhi. For this they needed to understand the Business Environment of the area. It was realized by the company that the Business Environment of Delhi was very hard to understand unless and until it was divided into different business dimensions like legal, political, economic, social and technological conditions. After understanding the business situations, the company started to study the close links between different elements of the Business Environment. They gave a proper shape to their research and the business got started with full force. Later they realized that the products they were selling in Delhi were more fit for the European culture and decided to start a new branch in Belgium where the demand of their products was very high from the first day. The company came to be recognized and, in few years, became a global brand. The reason for its success in different countries was the adaptability' it showed in meeting the changing environment. The company kept track of all happenings and did a periodic survey of the choices of the customers. It recognized that there was no surety in the nature of market and it was very unpredictable. Identify the four features of Business Environment that have been highlighted in the above case? Also, quote the lines which highlight these features.</p>	4

	<p>Answer: The various features of Business Environment which are highlighted in the above case are:</p> <ol style="list-style-type: none"> 1. Complexity. It was realized by the company that the Business Environment of Delhi was very hard to understand unless and until it was divided into different business dimensions like legal, political, economic, social and technological conditions. As we can see it is very difficult to. Understand the business environment unless it is broken into its dimensions. 2. Interrelatedness. After understanding the business situations, the company started to study the close links between different elements of the Business Environment. 3. Relativity. Later they realized that the products they were selling in Delhi were more fit for the European culture and decided to start a new branch in Belgium where the demand of their products was very high from the first day. 4. Dynamic nature. The reason for its success in different countries was the adaptability it showed in meeting the changing environment. 	
31	<p>High Voltage – a company which manufactures microwaves is known for its flawless planning. However, the top management of the company accepts that some of its plans have failed in the past as the outside business environment is unpredictable and dynamic. The company invests a huge portion of its revenue on planning related issues. Recently in a newspaper the company was blamed for preventing its employees from doing new things due to the plans which are decided by the top management. Rajesh a middle level manager in the company in a seminar said that the planning aspect of a company should be dealt cautiously. There should be specific goals and activities to reach these goals should also be properly executed. Company has many serious competitors in the market. Even they unanimously agree that without planning no other function of management can exist and it's the basic platform on which the whole structure of management is laid. When it comes to follow up of plans it becomes very important to know the standards. The success of a plan can only be checked when it is known how much of the set target has been met because it is at the stage of planning these targets are set. It's not about the past. It's for the coming time and challenges that a company formulates a plan. Rajesh knows this well. He uses his intelligent imagination and foresight while formulating the plans.</p> <p>A. Identify and quote the (2) limitations of planning that have been highlighted in the above case? B. Identify and quote the (3) features of planning have been indicated in the above case? C. Identify the importance of planning you sighted in the above case?</p> <p>Answer: The limitations of planning highlighted in the above case are: 1. Planning may not work in a dynamic environment. (However, the top management of the company accepts that some of its plans have failed in the past as the outside business environment is unpredictable and dynamic).</p>	6

	<p>2. Planning reduces creativity. (Recently in a newspaper the company was blamed for. preventing its employees from doing new things due to the plans which are decided by the top management).</p> <p>The features of planning indicated in the above case are:</p> <ol style="list-style-type: none"> 1. Planning helps in achieving objectives. There should be specific goals and activities to reach these goals should also be properly executed. 2. Planning is the primary function of management. Even they unanimously agree that without planning no other function of management can exist and it's the basic platform on which the whole structure of management is laid. 3. Planning is a mental exercise. He uses his intelligent imagination and foresight while formulating his plans. <p>The importance of planning highlighted in the above paragraph:</p> <p><input type="checkbox"/> Planning sets standards for controlling. The success of a plan can only be checked when it is known how much of the set target has been met because it is at this stage of planning such targets are set.</p>	
32	<p>‘Home Creations Ltd.’ is a well-known chain of large department store offering various types of products under one roof. The company owns fifty stores in various parts of the country. Each store is placed under the charge of a manager who is allowed to run their stores autonomously by deciding about the products which may be promoted, appointment of staff, ways to handle customer complaints etc. As these managers have a deeper knowledge of the local situations, it enables them to take these decisions effectively keeping in view the local circumstances and consumers’ needs. This approach helps to improve customer service and at the same time serves to boost morale and increase the job satisfaction of the store managers as it empowers them to innovate and use their initiatives.</p> <p>In the context of above case:</p> <ol style="list-style-type: none"> 1. Identify and explain the policy followed by ‘Home Creations Ltd.’ to run their stores successfully. 2. Also, give any five points highlighting the importance of the approach followed as identified in part (1) of the question. <p>1.Decentralisation</p> <p>2. Develops Initiative Among Subordinates: By giving subordinates the freedom to make decisions within limits, decentralisation builds their confidence and self-reliance, promoting a sense of responsibility.</p> <p><input type="checkbox"/> Develops Managerial Talent: Gaining experience in decision-making at lower levels prepares employees for future leadership roles and increases the overall talent pool of the organization.</p> <p><input type="checkbox"/> Quick Decision-Making: When decisions are made by those closest to the point of action, it eliminates delays caused by approvals from multiple levels of management, leading to faster and more efficient responses.</p> <p><input type="checkbox"/> Relief to Top Management: Decentralisation distributes the workload and responsibility of daily management to subordinates, freeing up top executives to concentrate on strategic planning and high-priority issues.</p>	6

	<p>□ Facilitates Growth: By empowering divisional heads and employees, decentralisation allows for greater autonomy and responsiveness to market changes, which supports the expansion and diversification of the business.</p> <p>□ Better Control: Performance evaluation can be done more effectively at each level of management, as departmental managers are responsible for their own outcomes.</p>	
33	<p>Explain the four merits of external sources of recruitment.</p> <p>Ans. Merits of external sources of recruitment:</p> <ol style="list-style-type: none"> Qualified Personnel Wider Choice Fresh Talent Competitive Spirit <p>$\frac{1}{2}$ mark for naming + 1 mark for explanation =</p> <p>1 $\frac{1}{2}$ x 4 = 6 marks</p>	6
34	<p>A. Briefly explain any(6) elements of the communication process with a diagram.</p> <p>OR</p> <p>B. Communication flows through official channels designed in the organisation chart. This communication may take place between a superior and subordinate, a subordinate and superior or among same cadre employees or managers. The communications may be oral or written but generally recorded and filed in the office.</p> <p>i. Identify the type of communication stated above.</p> <p>ii. Explain the (5) communication networks of the identified concept in (i)</p>  <p>Elements Involved in Communication Process</p> <ul style="list-style-type: none"> Sender refers to a person who conveys his thoughts or ideas to the receiver. Message is the content of ideas, feelings, suggestions, order etc., intended to be communicated. 	6

- **Encoding** refers to the process of converting the message into communication symbols such as words, pictures, gestures etc.,
- **Media** is the path through which encoded message is transmitted to receiver through a face to face interaction, phone call, internet
- **Decoding** is the process of converting encoded symbols of the sender.
- **Receiver** refers to the person who receives communication of the sender.
- **Feedback** includes all those actions of receiver indicating that he has received and understood message of sender.
- **Noise** means some obstruction to communication



B.

- (i) Single chain: This network exists between a supervisor and his subordinates. Since many levels exist in an organisation structure, communication flows from every superior to his subordinate through single chain.
- (ii) Wheel: In wheel network, all subordinates under one superior communicate through him only as he acts as a hub of the wheel. The subordinates are not allowed to talk among themselves.
- (iii) Circular: In circular network, the communication moves in a circle. Each person can communicate with his adjoining two persons. In this network, communication flow is slow.
- (iv) Free flow: In this network, each person can communicate with others freely. The flow of communication is fast in this network.
- (v) Inverted V: In this network, a subordinate is allowed to communicate with his immediate superior as well as his superior's superior. However, in later case, only prescribed communication takes place.