

Time allowed: 45 minutes

Maximum Marks: 200

General Instructions: Same as Practice Paper-1.

Choose the correct option in the following questions.

1. Which one of the following sequences of process of management is correct?
 - (a) Planning, Directing, Controlling, Organising, Staffing
 - (b) Directing, Staffing, Planning, Organising, Controlling
 - (c) Planning, Organising, Staffing, Directing, Controlling
 - (d) Organising, Planning, Staffing, Controlling, Directing
2. Managing Director will be considered under which level of management?
 - (a) Top-level
 - (b) Middle-level
 - (c) Lower-level
 - (d) None of these
3. How does a manager want to achieve his objectives?
 - (a) Efficiently
 - (b) Effectively
 - (c) Efficiently and effectively
 - (d) None of the above
4. Management is said to be poor if it is
 - (a) Efficient but ineffective
 - (b) Effective but inefficient
 - (c) Both inefficient and ineffective
 - (d) All of the above
5. Manager of ABC Ltd. does not allocate work as per the capability of workers. Which principle is violated by them?
 - (a) Principle of equity
 - (b) Principle of discipline
 - (c) Principle of order
 - (d) Principle of division of work
6. The principles are guidelines to action but do not provide readymade, straitjacket solutions to all managerial problems. This is so because
 - (a) The applications of principles has to be changed as per requirements.
 - (b) Real business situations are very complex and dynamic and are a result of many factors.
 - (c) Principles are like different tools serving different purposes, the manager has to decide which tool to use under what circumstances.
 - (d) All the above
7. Kindness and justice in behaviour of managers is related to-
 - (a) Principle of Discipline
 - (b) Principle of Equity
 - (c) Principle of Fair Remuneration
 - (d) Principle of Order
8. Violation of this principle will create insecurity among the employees. This statement is related to
 - (a) Esprit De Corps
 - (b) Remuneration

- (c) Stability of Personnel (d) Authority and Responsibility
- 9. The Foreman responsible for quality of work is**
 (a) Repair Boss (b) Disciplinarian
 (c) Inspector (d) Gang Boss
- 10. Which of the following does not explain the impact of government policy changes on business and industry?**
 (a) More demanding customers (b) Change in agricultural prices
 (c) Increase in competition (d) Market orientation
- 11. Which of the following is not a component of specific forces of business environment?**
 (a) Technological Condition (b) Customers
 (c) Employees (d) Investors
- 12. In which step of planning process is pros and cons of each alternative examined?**
 (a) Selecting an alternative premises (b) Developing premises
 (c) Evaluating alternative course of action (d) Setting up objective
- 13. 'Pace Ltd.' is an enterprise selling T.V. sets, they have decided to buy LED screens only from vendors using Japanese technique of manufacturing. This is related to which type of Plan?**
 (a) Objective (b) Policy
 (c) Strategy (d) Rule
- 14. Single use plan**
 (a) Used only once (b) Used for one single department
 (c) Used by single individual (d) All of the above
- 15. In _____ step of planning process pros and cons of each alternative is examined.**
 (a) Selecting an alternative premises (b) Developing Premises
 (c) Evaluating alternative course of action (d) Setting up objective
- 16. Who report to whom is made clear by**
 (a) Organising process (b) Planning process
 (c) Management process (d) None of the above
- 17. Delegation is**
 (a) Optional (b) Compulsory
 (c) Both (a) and (b) (d) None of the above
- 18. Centralisation refers to**
 (a) Retention of decision making authority. (b) Opening new branches.
 (c) Separation of divisions or levels. (d) Dispersal of decision making authority.
- 19. Which organisation gets created automatically?**
 (a) Formal Organisation (b) Informal Organisation
 (c) Both (a) and (b) (d) None of the above
- 20. The form of organisation known for giving rise to rumours is called**
 (a) Centralised organisation (b) Decentralised organisation
 (c) Informal organisation (d) Formal organisation
- 21. Span of management refers to**
 (a) Number of managers.
 (b) Length of term for which a manager is appointed.
 (c) Number of subordinates under a superior.
 (d) Number of members in top management.
- 22. An analysis that enables an assessment of number of humans required in the organisation is**
 (a) Development (b) Promotion

- (c) Workload analysis (d) Workforce analysis
- 23. Staffing is a part of**
 (a) Marketing management (b) Financial management
 (c) Human Resource management (d) None of the above
- 24. Human resource management is for**
 (a) large organisation (b) small organisation
 (c) (a) and (b) both (d) none
- 25. The Information Technology department of Hi Tech Ltd. had few vacancies in cyber security. The Human Resource department of the company decided to recruit the fresh engineers and graduate of IT from IIT University. The type of recruitment is**
 (a) Placement Agencies (b) Employment Exchange
 (c) Direct Recruitment (d) Campus Placement
- 26. The suitable method of External Recruitment for getting unskilled labourer is**
 (a) Recommendations from present employees (b) Employment exchange
 (c) Advertisement (d) Labour contractors
- 27. Which of the following is a process of making an employee act in a desired manner to achieve organisational goal?**
 (a) Motivation (b) Supervision
 (c) Leadership (d) Communication
- 28. In an organisation, employees always feel that they are under stress, as the manager does not discuss anything with them but simply instruct them what to do. He never listens to any of the suggestions given by them. State the manager's style of leadership.**
 (a) Autocratic (b) Participative
 (c) Laissez Faire (d) All of the above
- 29. The software company promoted by Narayana Murthy is**
 (a) Wipro (b) Infosys
 (c) Satyam (d) HCL
- 30. The highest level need in the need Hierarchy of Abraham Maslow**
 (a) Safety need (b) Belongingness need
 (c) Self-actualisation need (d) Prestige need
- 31. The communication gap due to size and complexity of organisation's structure comes under the following category.**
 (a) Semantic Barrier (b) Psychological Barrier
 (c) Organisational Barrier (d) Personal Barrier
- 32. Directing is performed at**
 (a) Top level (b) Middle level
 (c) Supervisory level (d) All levels
- 33. The barrier due to lack of vocabulary, wrong grammar or use of wrong words is called**
 (a) Badly expressed message (b) Technical Jargon
 (c) Faulty Translation (d) Symbol with different meaning
- 34. Which of the following is not semantic barrier?**
 (a) Lack of Attention (b) Premature evaluation
 (c) Distrust (d) All of the above
- 35. To make sure employees focus on work and follow the method of production as per plan, the management of Amaira Ltd. decided to install CCTV (close circuit television) in the factory for monitoring the activities of workers.**

The managerial function discussed above is

- (a) Planning
- (b) Controlling
- (c) Staffing
- (d) Directing

36. Planning provides

- (a) Direction to Controlling
- (b) Base of Controlling
- (c) Standard for Controlling
- (d) All of the above

37. Which one of the following is not the step in the process of controlling?

- (a) Measurement of actual performance
- (b) Establishing reporting relationship
- (c) Setting performance standards
- (d) Taking corrective action

38. Financial planning is

- (a) Same as financial management
- (b) Part of financial management
- (c) Same as financing decision
- (d) None of the above

39. Positive leverage effect brings

- (a) Gain for equity shareholders
- (b) Loss for equity shareholders
- (c) Both (a) and (b)
- (d) None of the above

40. A fixed asset should be financed through

- (a) a long-term liability
- (b) a short-term liability
- (c) a mix of long and short term liabilities
- (d) None of these

41. Higher working capital usually results in

- (a) Higher current ratio, higher risk and higher profits
- (b) Lower current ratio, higher risk and higher profits
- (c) Higher equitably, lower risk and lower profits
- (d) Lower equitably, lower risk and higher profits

42. Financial Planning links

- (a) Investment and dividend decision
- (b) Investment and financing decision
- (c) Dividend and financing decision
- (d) None of the above

43. Capital Structure indicates ratio between

- (a) Assets and Liabilities of the firm
- (b) Current Assets and Fixed Assets
- (c) Debt and Equity in the total capital
- (d) Profit and Revenue of the firm

44. Name the instrument which can be issued to individuals, corporations and companies during period of tight liquidity when the deposit growth of bank is slow, but the demand for credit is high.

- (a) Commercial paper
- (b) Certificate of deposit
- (c) Call money
- (d) Treasury Bill

45. Primary and secondary markets

- (a) Compete with each other
- (b) Compliment each other
- (c) Function independently
- (d) Control each other

46. The economic condition of every country is reflected by dealings in

- (a) Stock Market
- (b) Money Market
- (c) Primary Market
- (d) None of the above

47. Call money is used to

- (a) Maintain a minimum cash balance known as a cash reserve ratio
- (b) To meet floatation cost
- (c) To meet working capital needs
- (d) To meet fixed capital needs



- 48. Consumer should use ISI marked electrical appliance, is an example of**
- | | |
|---------------------|--------------------------|
| (a) Right to safety | (b) Right to be informed |
| (c) Right to choose | (d) Right to be heard |
- 49. Informing consumer about their rights is part of**
- | | |
|---------------------------------|--------------------------|
| (a) Right to Safety | (b) Right to Information |
| (c) Right to Consumer Education | (d) Right to be Heard |
- 50. Consumer Protection Act is applicable**
- | | |
|---------------------------------|----------------------------|
| (a) Immovable goods | (b) Movable goods |
| (c) Specific goods and services | (d) All goods and services |

Answers

PRACTICE PAPER – 19

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|---------|---------|---------|---------|---------|---------|---------|
| 1. (c) | 2. (a) | 3. (c) | 4. (c) | 5. (d) | 6. (b) | 7. (b) |
| 8. (c) | 9. (c) | 10. (b) | 11. (a) | 12. (c) | 13. (b) | 14. (a) |
| 15. (c) | 16. (a) | 17. (b) | 18. (a) | 19. (b) | 20. (c) | 21. (d) |
| 22. (c) | 23. (c) | 24. (a) | 25. (d) | 26. (d) | 27. (a) | 28. (a) |
| 29. (b) | 30. (c) | 31. (c) | 32. (d) | 33. (a) | 34. (d) | 35. (b) |
| 36. (d) | 37. (b) | 38. (b) | 39. (a) | 40. (a) | 41. (a) | 42. (b) |
| 43. (c) | 44. (b) | 45. (b) | 46. (a) | 47. (a) | 48. (a) | 49. (d) |
| 50. (d) | | | | | | |