

PRACTICE PAPER

3

Time allowed: 45 minutes

Maximum Marks: 200

General Instructions: Same as Practice Paper-1.

Choose the correct option in the following questions.

1. When a worker achieves target production of 100 unit at a higher cost, he is
 - (a) Efficient
 - (b) Effective
 - (c) Both Effective and Efficient
 - (d) None of the above
2. Which level of management is responsible for the welfare and survival of the organisation?
 - (a) Top level of management
 - (b) Middle level of management
 - (c) Supervisory level
 - (d) Both (b) and (c)
3. Ravi joined a marketing firm as a Sales manager. On his first day in the company, during the orientation programme, the CEO of the company told Ravi that he will have to simultaneously perform the functions of management (planning, organising, staffing, directing, controlling) all the time. Which characteristic of management was the CEO referring to?
 - (a) Management is a continuous process
 - (b) Management is all pervasive
 - (c) Management is multidimensional
 - (d) Management is goal oriented
4. State the common feature of Science, Art and Profession which is present in management also:
 - (a) Systematic body of knowledge
 - (b) Based on practice and creativity
 - (c) Use of Ethical codes
 - (d) Universal validity
5. Functional Foremanship is the extension of
 - (a) Division of Work
 - (b) Discipline
 - (c) Unity of Direction
 - (d) Unity of Command
6. Principle of Initiative:
 - (a) Boosts up the morale of employees
 - (b) Brings down the morale of employees
 - (c) Does not affect on morale of employees
 - (d) None of the above
7. **Assertion (A) :** Principles of management establish accurate cause and effect relationship.
Reason (R) : The principles of management tell us if a particular principle was applied in a particular situation, what would be its likely effect.
 - (a) Both (A) and (R) are correct
 - (b) (A) is correct (R) is incorrect
 - (c) Both (A) and (R) are correct, and (R) is the correct explanation of (A)
 - (d) Both (A) and (R) are correct, and (R) is not the correct explanation of (A)

8. While conducting a survey Rajiv observed that although there was division of work in every factory he visited, but the extent of division of work varied from factory to factory depending upon the demand of the situation. Which feature of principle of management is highlighted above?
 (a) Flexible (b) Contingent (c) General guidelines (d) Cause and effect
9. The Reserve Bank of India reduces CRR (Cash Reserve Ratio) by 0.5% to control recession. This is related to which dimension of Business Environment?
 (a) Political Environment (b) Economic Environment
 (c) Social Environment (d) Legal Environment
10. Which of the following is not a component of specific forces of business environment?
 (a) Technological Condition (b) Customers
 (c) Employees (d) Investors
11. Which of the following is an example of social environment?
 (a) Money supply in the economy (b) Consumer Protection Act
 (c) The Constitution of the country (d) Composition of family
12. Planning is performed at
 (a) Top Level (b) Middle Level (c) Supervising Level (d) All Level
13. Making assumptions for future is called
 (a) Making derivative plans (b) Making policy
 (c) Setting planning premises (d) All of the above
14. 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
15. Delegation is
 (a) Optional (b) Compulsory (c) Both (a) and (b) (d) None of the above
16. Fast decision can be taken by using the concept of
 (a) Delegation (b) Formal Organisation
 (c) Decentralisation (d) None of the above
17. Establishing reporting system leads to
 (a) Specialisation (b) Improved productivity
 (c) Clarity in working relationship (d) Adaptation to change
18. "Grouping similar nature jobs into larger units called departments" is the step in the process of one of the functions of management. Identify the function of management.
 (a) Planning (b) Organising (c) Directing (d) Staffing
19. The organisation producing multiproduct must adapt
 (a) Functional Structure (b) Divisional Structure
 (c) None of the above (d) All of the above
20. "Appointment is as per the requirement and satisfaction of the job". This is related to which importance of staffing?
 (a) Filling the roles by obtaining competent persons.
 (b) Placing right person at the right job.
 (c) Optimum utilisation of human resources.
 (d) Improves job satisfaction and morale of the employee.
21. The concept which involves growth of individual in all respect is:
 (a) Training (b) Development
 (c) Promotion (d) Transfer

- 22. Professional Institutes send their students to corporate sector for doing**
 (a) Apprenticeship Training (b) Internship
 (c) Induction Training (d) Vestibule School
- 23. Analysing existing employees is known as**
 (a) Workload analysis (b) Workforce analysis
 (c) Training (d) Development
- 24. 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
- 25. The leader who encourages the employees to give suggestion and allots the work after consulting the employees is called**
 (a) Autocratic leader (b) Free Rein leader
 (c) Democratic leader (d) None of the above
- 26. Jagan, who was working in a big company resigned on the ground of "lack of recognition and attention" in the organization towards his work and performance.**
Identify the hierarchy need according to Maslow which was not satisfied for Jagan.
 (a) Psychological needs (b) Safety needs
 (c) Affiliation needs (d) Esteem needs
- 27. According to Maslow, how many level of needs are there in every human being?**
 (a) 3 (b) 5 (c) 4 (d) 6
- 28. Full utilisation of potential and capacity of employees can be seen in**
 (a) Autocratic leadership (b) Democratic leadership
 (c) Free rein leadership (d) Paternalistic leadership
- 29. Directing**
 (a) Is a primary function of management (b) Initiates action
 (c) Recruits and Selects employees (d) Identifies and groups the activities
- 30. Motivators can be**
 (a) Positive only (b) Negative only
 (c) Positive as well as negative (d) None of the above
- 31. 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
- 32. The financial management is concerned with**
 (a) Efficient acquisition of finance (b) Efficient utilisation of finance
 (c) Efficient disposal of surplus (d) All of the above
- 33. A decision to acquire a new and modern plant to upgrade an old-one is a**
 (a) Financing decision (b) Investment decision
 (c) Working capital decision (d) Dividend decision
- 34. Name the concept which increases the return of equity shares with the change in the capital structure of the company.**
 (a) Financial planning (b) Capital structure
 (c) Trading on equity (d) Investment decision
- 35. If fixed operating cost is high, a firm should prefer**
 (a) Debt (b) Equity (c) Both (a) and (b) (d) None of the above

- 36. Gross working capital refers to**
 (a) Investment in Fixed Assets (b) Investment in Current Assets
 (c) Investment in Bank (d) All of the above
- 37. _____ is a legal document as it help to settle disputes/claims between investor and the broker.**
 (a) Credit note (b) Contract note
 (c) Both (a) and (b) (d) None of the above
- 38. The safest instrument of money market is**
 (a) Call Money (b) Commercial Paper
 (c) Treasury Bill (d) Commercial Bill
- 39. In Right Issue, shares are issued to**
 (a) General public (b) Existing shareholders
 (c) Institutes only (d) None of the above
- 40. The Apex Body who controls the Capital Market of our country is**
 (a) RBI (b) SBI (c) SEBI (d) None of the above
- 41. Which element of product concept help in fulfilling the right to information?**
 (a) Branding (b) Packaging (c) Labelling (d) All of the above
- 42. Advertisement is always given by an**
 (a) Identified sponsor (b) Unidentified sponsor
 (c) Government (d) None of the above
- 43. The concept which focuses on large scale production and minimum cost is called**
 (a) Production concept (b) Product concept
 (c) Selling concept (d) Marketing concept
- 44. Marketing mix is the set of _____ that the firm uses to pursue its marketing objectives in the target market.**
 (a) Production tools (b) Promotional tools
 (c) Marketing tools (d) Selling tools
- 45. _____ involves a variety of programmes designed to promote and protect a company's image and its individual products in the eyes of the public.**
 (a) Advertising (b) Personal selling (c) Publicity (d) Public relations
- 46. The only element of marketing mix, which generates revenue is called**
 (a) Product mix (b) Place mix (c) Price mix (d) Promotion mix
- 47. Right to safety**
 (a) Protects consumer from physical damage or injury
 (b) Informs the consumer
 (c) Both (a) and (b)
 (d) None of the above
- 48. If goods require no testing, then complaint must be filed within**
 (a) 1 month (b) 2 months (c) 3 months (d) 4 months
- 49. Consumer Protection Act is applicable to**
 (a) Immovable goods (b) Movable goods
 (c) specific goods and services (d) All goods and services.
- 50. Which of the following is importance of consumer protection in the view of business?**
 (a) Unorganised consumers (b) Consumer ignorance
 (c) Moral justification (d) Organised consumers



Answers

PRACTICE PAPER — 3

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