

## Application-based Questions

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**[1 mark]**

**Q.1. Which function of management ensures that actual activities conform to planned activities?**

**Ans.** It is controlling.

**Q.2. Name the function which reviews the operations in a business unit.**

**Ans.** Controlling function.

**Q.3. What should be the 'focus point' for a manager while controlling, as controlling at each and every step is not possible?**

*[CBSE 2011]*

**Ans.** Focus point for a manager while controlling should be the 'Key Result Areas'.

**Q.4. What should be done while 'taking corrective action' in the process of controlling when especially in the important areas deviations go beyond the acceptable range?**

*[CBSE 2013]*

**Ans.** In this situation, standards may have to be revised.

**Q.5. In controlling process, standards were set according to the efficiency of the average employee. Which value has been kept in mind while setting the standards?**

**Ans.**

- i. Increase in the morale of the employees
- ii. Improving the quality of production.

**Q.6. On coming to know the negative deviations, fines are imposed on erring employees. Which value is being violated here?**

**Ans.**

- i. Fear and frustration/disappointment amongst employees
- ii. Increase in the employee/labour turnover rate.

**Q.7. In a company, employees achieved quantitative standard but could not attain qualitative standards. Which values have been ignored here?**

**Ans.**

- i. Production of inferior quality goods
- ii. Exploitation of consumers.

**[3 marks]**

**Q.1. Clarify the difference between the 'Principle of critical-point control' and 'Principle of management by exception'.**

**Ans.** Under the principle of critical-point control, it is sought to be understood on which points or activities control will be profitable, while in the principle of exception deviation is taken care of in respect of the predetermined critical points and in case of especially good or especially bad deviation in respect of some particular critical point corrective action is taken.

**Q.2. Explain two causes of deviations and corrective action to be taken for them.**

**Ans.**

<b>Causes of Deviation</b>	<b>Corrective Action to be Taken</b>
1. Defective Machinery	Repairing or changing machinery.
2. Obsolete Machinery	Establishing modern machinery.

**Q.3. Write a short note on the types of deviations. Is positive deviation also important?**

**Ans.** Deviations can be of two types — (i) Negative Deviation and (ii) Positive Deviation. In the controlling process, it is important to know the causes of negative deviation but it is not less important to know about the causes of positive deviations. Positive deviation means that the actual performance is more than the standard work. If the information received regarding the actual performance being more than the standard, the corrective action can help in improving the efficiency in future.

**Q.4.** *'A.S. Ltd.' is a large company engaged in assembly of air-conditioners. Recently the company had conducted the 'Time' and 'Motion' study and concluded that on an average a worker can assemble ten air-conditioners in a day. The target volume of the company in a day is assembling of 1,000 units of air-conditioners. The company is providing attractive allowances to reduce labour turnover and absenteeism. All the workers are happy. Even then the assembly of air-conditioners per day is 800 units only. To find out the reason the company compared actual performance of each worker and observed through C.C.T.V. that some of the workers were busy in gossiping.*

*[CBSE 2015]*

**Q. Identify the function of management discussed above.**

**Ans.** Controlling

**Q. State those steps in the process of the function identified which are discussed in the above paragraph.**

**Ans.** Steps discussed here are:

“Recently the company ..... ten air-conditioners in a day.”

OR

“The target volume ..... 1000 units of air conditioners.”

- i. **Setting performance standards:** These are the criteria against which the actual performance are measured.
- ii. **Measurement of actual performance:** Actual performance is measured to compare it with the standard performance. “Even than the ..... 800 units only.”
- iii. **Comparing actual performance with standards:** At this step, actual performance is compared with the standards and deviations are found out, if any. “To find out the reason ..... of each workers.”
- iv. **Analysing Deviations:** At this stage, deviations are analysed to know their causes. “observed through C.C.T.V ..... in gossiping.”

**[4 marks]**

**Q.1. There are two managers of a company, Rahul and Rohit. Rahul is saying that ‘Planning is looking ahead whereas controlling is looking back.’ On the other hand, according to Rohit, ‘Planning is looking back whereas controlling is looking ahead.’ Who is correct and why?**

**Ans.** The statements of both Rahul and Rohit are correct from different points of view.

- a. According to Rahul, plans are always formulated for future. On the contrary, controlling is looking back because under it a manager tries to find out, after the work is completed, whether it has been done according to the standards or not. It is thus clear that planning looks ahead and controlling looks backward or in the past.
- b. According to Rohit, planning is called looking back because the plans are formulated on the basis of the happenings of the past. On the other hand, controlling evaluates the work done in the past but under it corrective action is taken in respect of future. Hence, there should not be any hesitation in saying that planning looks backward while controlling looks ahead.

**[5 marks]**

**Q.1. You are a management expert. You have been asked by a business firm to make its managers understand the importance of controlling function of**

**management. How will you explain this to the manager.**  
*[CBSE 2013]*

**Ans.** As a management expert the importance of controlling will be explained to the managers as follows:

- i. **Accomplishing Organisational Goals:** The controlling process is implemented to take care of the plans. With the help of controlling, deviations are immediately detected and corrective action is taken. Therefore, the difference between the expected results and the actual results is reduced to the minimum. In this way, controlling is helpful in achieving the goals.
- ii. **Judging Accuracy of Standards:** While performing the function of controlling, a manager compares the actual work performance with the standards. He tries to find out whether the laid down standards are not more or less than the general standards. In case of need, they are redefined.
- iii. **Making Efficient Use of Resources:** Controlling makes it possible to use human and physical resources efficiently. Under controlling it is ensured that no employee deliberately delays his work performance. In the same way, wastage in all the physical resources is checked.
- iv. **Improving Employee Motivation:** Through the medium of controlling, an effort is made to motivate the employees. The implementation of controlling makes all the employees to work with complete dedication because they know that their work performance will be evaluated and if the progress report is satisfactory, they will have their identity in the organisation.
- v. **Ensuring Order and Discipline:** Controlling ensures order and discipline. With its implementation, all the undesirable activities like theft, corruption, delay in work and uncooperative attitude are checked. As a result of this, discipline is established in the organisation.