

BUSINESS STUDIES (859)

Aims

1. To enable candidates to understand the modern business environment and to create awareness about various entrepreneurial opportunities.
2. To awaken a spirit of enterprise amongst candidates.
3. To provide an insight into the recent trends in business.
4. To acquaint candidates with the various aspects of Human Resource Management.
5. To provide knowledge and understanding of communication in modern business.
6. To identify the various sources of business finance and the role of regulators and intermediaries.

CLASS XI

There will be **two** papers in the subject:

Paper I - Theory: 3 hours80 marks

Paper II- Project Work20 marks

PAPER – I (THEORY): 80 Marks

Part I (20 marks) will consist of **compulsory** short answer questions testing knowledge, application and skills relating to elementary/ fundamental aspects of the entire syllabus.

Part II (60 marks) will consist of **eight** questions, out of which candidates will be required to answer **any five** questions, each carrying **12 marks**.

1. Business Environment

- (i) Introduction to the concept of business environment.

Meaning and definition of business environment.

- (ii) Features and importance of business environment.

Features: dynamic, relative, inter related, complex, uncertain, totality of internal and external forces, general and specific forces, universality, various stakeholders;

Need to understand business environment: first mover advantage, early warning signals, business strategies, competitive advantage, customer confidence and public image, coping with change, customer needs, keeping pace with consumerism. PESTLE analysis and Porter's five factor analysis in understanding the business environment.

- (iii) SWOT Analysis

Meaning and importance of SWOT analysis. Components of SWOT.

2. Entrepreneurship

- (i) Introduction to Entrepreneur.

Meaning and definition of entrepreneur; Classification of entrepreneurs: independent and spin-off; types of entrepreneurs as given by Clarence Danhof: Innovative, Imitating, Fabian and Drone.

- (ii) Introduction to Entrepreneurship.

Meaning, definition and characteristics of entrepreneurship. Characteristics of successful entrepreneur: forward looking, hardworking, passionate, opinionated, confident, resourceful, positive; Factors affecting entrepreneurship: political, statutory (legal and taxation), capital availability, availability of required labour, availability of required raw material; Types of entrepreneurship: small business, scalable startup, large company, social.

- (iii) Intrapreneurship

Meaning, definition and characteristics of intrapreneurship; Differences between entrepreneurship and intrapreneurship; Classification of intrapreneurs: venture and project; factors affecting entrepreneurship; management support, resource availability, organization structure, risk taking capacity, reward.

- (iv) Enterprise

Meaning and definition; steps in setting up an enterprise: selecting the line of business, choosing the form of ownership, locating the appropriate site to set up the business, financing the proposition (identifying

capital requirements and its sources), setting up the physical layout and the facilities, acquiring required human resource. Compliance with statutory requirements, launching the business). Five phases of a business: expansion, peak, recession, trough, recovery.

Startup business – meaning only.

(v) Business risks and causes of failure.

Meaning of business risks. Types of business risks: strategic risks, financial risks, operational risks, compliance risks, competition and market risks, environmental risks, reputational risks, credit risks, innovation risks: a brief explanation of each.

Causes of business failure: internal causes (poor management, premature scaling, funding shortfall, inadequate profits, labour problems, small customer base) and external forces (economy fluctuations, market fluctuations, non-availability of credit, change in technology, change in government policies and laws, natural disasters, lack of availability of raw material).

Methods of managing business risk: accept and absorb, avoid, transfer, mitigate, exploit (clear understanding of the methods).

3. Managers and Managerial Roles

(i) Introduction

Meaning and definition of a Manager.

(ii) Managerial roles

Managerial roles as given by Mintzberg: informational (monitor, disseminator, spokesperson), interpersonal (figurehead, leader, and liaison), and decisional (entrepreneur, disturbance handler, resource allocator, negotiator): brief explanation of these roles.

(iii) Authority, responsibility, and accountability.

Meaning and definition of authority, responsibility, and accountability; their interrelationship; authority distinguished from power; sources of authority: formal, acceptance, competence; delegation of authority; Principles of delegation of

authority; Centralization and decentralization of authority; Distinction between delegation and decentralization of authority.

(iv) Change management.

Meaning and definition of change management; Types of change: developmental, transitional, transformational.

Need for change: Internal forces (need for improving productivity, need to reduce costs, need for improving quality of work life, Domino effect, deficiency in the existing system, to enhance innovation); External forces (change in market situations - national and international, changes in technology, changes in population dynamics, changes in the political scenario, changes in the legal system).

Resistance to change: reasons for resistance to change - Individual reasons (habits and conventions, fear of unknown, zero tolerance to change (status quo), fear of economic loss, redundancy of skills, egoistic attitude, peer pressure, emotional resistance to change in social groups); Organizational reasons (fear of the unknown, costs involved, management's lack of faith in change, constraints of organizational structure).

Overcoming resistance to change: Brief explanation of Kurt Lewin's model of change and ADKAR model of change.

4. Automation at Workplaces

(i) Introduction

Meaning and definition of mechanization and automation; distinction between the two; evolution from mechanization to automation; merits and demerits of mechanization; merits and demerits of automation.

(ii) Productivity enhancement tools and facilities at different workplaces.

- Banks: ATM, passbook printing kiosk, cheque/ cash depositing machine, SMS alerts

- *Retail Industry: barcode scanner and POS machine (Point of Sale), card swipe machine*
- *Corporate Office: Biometric system, photocopy machine, LED Projector, scanners, laptops, smartphones. Video conferencing, intercom, internet and wi-fi, VoIP (voice-over internet protocol).*
- *Airports: self check-in kiosk, CUTE workstations, automated backdrop, AODB solutions, Airport hub wireless, Advanced ATS.*

A basic understanding of role of each of the above in enhancing productivity (details of functioning not required).

PAPER II - PROJECT WORK: 20 Marks

Candidates will be expected to have completed **two** projects from any topic covered in Theory.

Mark allocation for **each** Project [10 marks]:

Overall format	1 mark
Content	4 marks
Findings	2 marks
Viva-voce based on the Project	3 marks

A list of suggested Projects is given below:

1. Study the importance of changes in the business environment. Examine any two companies that had first mover advantage in Indian business environment and how they reacted to entry of global competition.
2. Study and compare SWOT analysis of two leading public sector companies from different industries.
3. As a fresh graduate, select a business opportunity and prepare a business plan for a startup business giving the following:
 - Details of the business idea
 - Products and/or services
 - Finance and its sources
 - Marketing plan
4. Explain how promotion of startups contributes to the economic growth of the country. Consider different aspects such as:
 - Employment generation
 - Mobility of labour
 - Capital formation
5. Select one firm each from any two different industries (e.g. banking, retail, hotel, pharmaceuticals, tourism, automobile, cement, steel). Analyse the business risks for each of the two firms selected by you. As an efficient manager, how would you mitigate such risks?
6. List any two businesses in different industries that have failed drastically and study the reasons for their failure. You may consider aspects such as, Finance, Marketing, Operational inefficiency, Managerial inefficiency, etc.
7. Your organization is revamping its processes from manual to automated mode. There is a lot of resistance from the workers. As a senior manager, state how would you overcome this resistance. Discuss on the basis of the following points:
 - The nature of business
 - Changes that you would propose in the process
 - Positive and negative points for the stakeholders
 - Benefits of the change to the employees
 - Unfreeze Change and Refreeze model for your change management
 - Retention policies
 - Conclusion
8. Bring out in detail the upcoming innovations in any two industries e.g. automobile, education, retail, aviation, hospitality, tourism.
9. Make a list of various productivity enhancement tools and facilities available to banking industry and retail business. Study two banks and two departmental stores and examine if they are using the facilities available to them. Evaluate the benefits availed by the firm and the customers.
10. Study the productivity enhancement tools and facilities used by corporate world. Examine how it has helped the corporate world perform and serve better.

CLASS XII

There will be **two** papers in the subject:

Paper I - Theory: 3 hours 80 marks

Paper II - Project Work 20 marks

PAPER - I (THEORY): 80 Marks

Part I (20 marks) will consist of **compulsory** short answer questions testing knowledge, application and skills relating to elementary / fundamental aspects of the entire syllabus.

Part II (60 marks) will consist of **eight** questions, out of which candidates will be required to answer **any five** questions, each carrying **12 marks**.

1. Human Resource Management

- (i) Introduction to Human Resource Management.

Meaning and definition of Human Resource Management; Characteristics of Human Resource Management: people oriented, comprehensive function, staff function, pervasive, challenging, continuous, individual oriented, development oriented, action oriented, future oriented, interdisciplinary, art as well as science, young discipline; Importance of human resource management.

- (ii) Job and Manpower planning.

Meaning, relevance and difference between the following: Job Analysis, Job Specification, Job Description, Job Enrichment and Job Enlargement, Manpower Estimation.

- (iii) Staff Recruitment.

Meaning, definition and characteristics of staff recruitment; sources of recruitment: internal sources (promotion, transfer, ex-employees, recommendation by employees); external sources (advertisements, campus recruitment, casual callers, gate hiring, employment exchanges, placement agencies, labour contractors). Differences between internal and external sources of recruitment, their merits and demerits; e-recruitment: concept, benefits and limitations; sources of e-recruitment: internet and intranet (their benefits and limitations).

- (iv) Staff Selection.

Meaning and definition of staff selection; Selection procedures (preliminary screening, application blank, selection test, Group discussion, final interview, medical test, reference check, final approval, placement; brief explanation and importance of each step of the selection procedure); distinction between recruitment and selection.

- (v) Staff Training.

Meaning and definition of training; distinction between training, education and development; types of training (induction, job, remedial, safety, promotional, refresher- brief explanation of each.); methods of training: on the job and off the job (vestibule, apprenticeship, internship, classroom); Distinction between on the job and off the job training. Hindrances to training: brief explanation. Benefits of training to employer and employees.

- (vi) Staff Morale.

Meaning, definition and characteristics of staff morale; Morale Productivity Matrix (brief explanation of the four situations); factors influencing morale (morale depressants and stimulants: an understanding of how the same factor may lower or boost morale); methods of raising morale; indicators of low and high morale; advantages of high morale; disadvantages of low morale.

- (vii) Staff Motivation.

Meaning, definition and characteristics of staff motivation; difference between motivation and morale; importance of staff motivation to the employer and the employee ; factors influencing motivation: monetary and non-monetary incentives; differences between monetary and non-monetary incentives; Maslow's theory of the Hierarchy of Human Needs (explanation of the theory with the help of the pyramid, assumptions and criticism of the theory); Herzberg's Two-factor Theory (Motivation and Hygiene Factors).

(viii) Staff Remuneration.

Meaning and definition of Staff remuneration, Methods of wage payment – Time Rate and Piece Rate System (An explanation of the two systems along with their merits, demerits and suitability, differences between the two); Pay Slip and Payroll - Meaning, Differences, Components, Specimens of both. Various staff benefits: Employee Provident Fund, National Pension System, Group Insurance (medical and life), encashment of leave, gratuity, (basic understanding only). Types of leaves (casual, medical/sick, earned / privilege, maternity/ paternity, sabbatical/ study, leave without pay: basic understanding only)

(ix) Staff Leadership.

Meaning and definition of staff leadership; Distinction between Leadership and Management; Leadership styles: Autocratic, Democratic, Laissez-Faire (brief explanation, advantages, disadvantages and comparison between each style); Leadership continuum (brief description); Situational leadership (brief description); Blake & Mouton Managerial Grid (brief explanation).

(x) Staff Appraisal.

Meaning and definition of Performance Appraisal and Potential Appraisal; Distinction between the two; Objectives and importance of Performance Appraisal, Methods of Performance Appraisal - merit grading, appraisal by results, appraisal by superior staff: self-appraisal; 360° appraisal (brief explanation of each method and their respective advantages and disadvantages).

(xi) Staff Promotion and Transfer.

Staff Promotion - Meaning, definition, benefits and limitations of promotion; Open and Closed policy of promotion (meaning and differences); a brief understanding of the concept of Dry promotion and upgrading and distinction between the two; requirements of a sound promotion policy; Basis of promotion: seniority, merit,

seniority-cum-merit (brief explanation of each and the advantages, disadvantages, comparison between seniority basis and merit basis.)

Staff Transfer: Meaning, definition and need for transfer; Types of transfers: replacement, versatility, remedial, production (meaning and relevance of each type).

(xii) Staff Separation.

Meaning of Staff separation; means of staff separation: Retirement (Compulsory and Voluntary), Lay off, Retrenchment, Resignation, Suspension (Meaning and distinction only), Dismissal: grounds for dismissal, procedure for staff dismissal.

Exit Interview-Meaning and importance.

(xiii) Emerging trends in Human Resources.

Flexible Hours, Permanent part time, Work from home, Retainership, Virtual teams, Self-managing teams (SMTs) - only meaning of the above terms.

2. Business Communication and Correspondence

(i) Business Communication

Meaning and definition of communication; importance of communication in business, elements of the Communication Process, Methods of communication: Oral, Written, Gestural, Visual (Meaning, advantages and disadvantages of all these methods), Difference between oral and written communication, Types of communication: On the basis of area of operation (Internal and External), on the basis of relationship (Formal and Informal), on the basis of direction (Horizontal, Vertical-upwards and downwards, Diagonal), Meaning, Advantages and Disadvantages of each; distinction between - Internal and External; Formal and Informal; Horizontal and Vertical Communication; Barriers to Communication (Semantic, Physical and Mechanical, Organisational, Socio-Psychological: meaning only, detailed explanation not required); overcoming the barriers to communication.

(ii) Business Correspondence

Need and functions of business correspondence.

Business Letters

Elements and contents of various business letters; types of letters: solicited and unsolicited letters of application for a job, along with drafting of biodata; Interview letter, Offer of Appointment, Letter of resignation, Letter of enquiry, Quotation letter, Order letter, Complaint letter, Reply to Complaint letter).

NOTE: *Candidates should be able to draft all of the above types of letters, using the appropriate format.*

Reports

Meaning and definition of Reports; types of reports: statutory, non- statutory, private, public, informational, interpretative, routine/periodic, special; brief explanation of each type of report; differences between statutory and non-statutory, private and public, informational and interpretative, routine/periodic and special report. Format of report (report writing not required).

(iii) Current trends in Business Communication: e-mail and video conferencing.

Meaning and uses of e-mail and video conferencing.

3. Business Size and Finance

(i) Various business entities.

Meaning, definition and distinction between sole proprietorship, partnership, private limited company and public limited company.

(ii) Sources of business finance

A basic understanding of the following: Equity and preference shares, debentures and bonds, retained profits, public deposits, loans, trade credit, discounting of bills of exchange, global depository receipt, Angel investors, venture capitalists, crowd funding, peer to peer funding, factoring.

4. Globalisation and recent trends in Business

(i) Globalisation.

Meaning, nature, opportunities and threats of globalization for business; brief understanding of how globalization has been instrumental in transforming the manner in which Business is conducted.

(ii) e-Business.

Meaning, nature and importance of e- business to the buyer and to the seller.

(iii) Outsourcing.

Concept of outsourcing; Parties involved – the outsourcer, the outsourced and the service provider – the respective advantages and disadvantages of each of the above.

(iv) Types of Outsourcing.

Business Process Outsourcing (BPO), Knowledge Process Outsourcing (KPO), and Business Legal Process Outsourcing (LPO).

Basic understanding of the above.

(v) Online means of conducting business.

Business to Consumer (B2C), Consumer to Consumer (C2C), Business to Business (B2B), Intra Business (Intra B) and, Business to Government (B2G), Government to Business (G2B).

Basic understanding of the above with a few examples.

5. Business Regulators and Intermediaries

(i) Regulators and Intermediaries.

Meaning of the terms Regulators and Intermediaries.

(ii) Role of Regulators and Intermediaries.

(a) *Reserve Bank of India (RBI): Indian banks, foreign banks, Non-Banking Financial Companies (NBFC).*

(b) *Securities and Exchange Board of India (SEBI): stock exchanges, stock brokers, merchant bankers, depositories, mutual funds and credit rating agencies.*

- (c) *Insurance Regulatory and Development Authority of India (IRDA): insurance companies, insurance agents and insurance brokers.*
- (d) *Food Safety and Standards Authority of India (FSSAI): food processors, food packers.*
- (e) *Bureau of Indian Standards (BIS): ISI mark given to industrial goods, consumer electrical goods, steel manufacturers.*

Only a basic understanding of the roles of the above regulators and intermediaries.

PAPER II – PROJECT WORK: 20 Marks

Candidates will be expected to have completed **two** projects from any topic covered in Theory.

The project work will be assessed by the teacher and a Visiting Examiner appointed locally and approved by the Council.

Mark allocation for **each** Project [10 marks]:

Overall format	1 mark
Content	4 marks
Findings	2 marks
Viva-voce based on the Project	3 marks

A list of suggested Projects is given below:

- 1. Analyse the recruitment process in any two companies of your choice. List the loopholes if any and give suggestions for improving the process. (You may also make a comparative study of the recruitment process).
- 2. Evaluate the selection process of any two firms from the corporate world and discuss their benefits and drawbacks vis-a-vis each other.

- 3. Study any two business organizations (one Multi National Company and one Indian Company) with regards to their Policies of Compensation (Increment policy, Incentive policy, Bonus and reward policy, retirement benefits).
- 4. Study the various types of leaves made available to employees. Leaves can be considered as financial cost to the organization. What other tangible and non-tangible benefits does the organization stand to gain from incurring this cost? Do the benefits justify the cost?
- 5. Consider any two successful business leaders. Give a brief account of their leadership styles. Explain the impact of their leadership styles in the achievement of the organizational goals of their respective organisations.
- 6. Analyse the emerging trends in human resource management and discuss their implementation in India (Comparative study of five organisations).
- 7. Make a comparative study of any two E-Businesses in terms of their Nature, Size, Products and Services offered, Functioning and Policies.
- 8. Select any two companies and study their sources of finance with respect to the amount procured and advantages and disadvantages of each source of finance
- 9. Select any BPO or KPO and explain the outsourced functions that it performs. Discuss the impact of outsourcing in general and specifically on the profitability of the outsourcing organization.
- 10. Study any one regulator and the intermediaries under it. Give an account of their functions and how it helps the common man.

NOTE: No question paper for Project work will be set by the Council.

SAMPLE TABLE FOR PROJECT WORK

S. No.	Unique Identification Number (Unique ID) of the candidate	<u>PROJECT 1</u>					<u>PROJECT 2</u>					TOTAL MARKS
		A	B	C	D	E	F	G	H	I	J	
		Teacher	Visiting Examiner	Average Marks (A + B ÷ 2)	Viva-Voce by Visiting Examiner	Total Marks (C + D)	Teacher	Visiting Examiner	Average Marks (F + G ÷ 2)	Viva-Voce by Visiting Examiner	Total Marks (H + I)	(E + J)
		7 Marks*	7 Marks*	7 Marks	3 Marks	10 Marks	7 Marks*	7 Marks*	7 Marks	3 Marks	10 Marks	20 Marks
1												
2												
3												
4												
5												
6												
7												
8												
9												
10												

*Breakup of 7 Marks to be awarded separately by the Teacher and the Visiting Examiner is as follows:		Name of Teacher: Signature: _____ Date _____
Overall Format	1 Mark	Name of Visiting Examiner Signature: _____ Date _____
Content	4 Marks	
Findings	2 Marks	

NOTE: VIVA-VOCE (3 Marks) for each Project is to be conducted only by the Visiting Examiner, and should be based on the Project only