

PRACTICE PAPER

17

Time allowed: 45 minutes

Maximum Marks: 200

General Instructions: Same as Practice Paper-1.

Choose the correct option in the following questions.

1. "Management has to achieve variety of objectives in all areas considering the interest of all stakeholders including shareholders, employees, customers and the government. The main objective of any organisation should be to utilise human and material resources to the maximum possible advantage." Identify the objectives of management highlighted above.
(a) Organisational objectives (b) Social objectives
(c) Personal objectives (d) None of these
2. Which of the following proves that management is not an exact science?
(a) Management has its own theory and principles that have developed over a period of time, but it also draws on other disciplines such as economics, sociology, psychology and mathematics. Like any other organized activity, management has its own vocabulary of terms and concepts.
(b) Since management deals with human beings and human behaviour, the outcomes of these experiments are not capable of being accurately predicted or replicated.
(c) The application and use of principles of management is not universal. They have to be modified according to a given situation.
(d) Both (b) and (c)
3. To which level of management do managers of first line belongs?
(a) Lower level (b) Top level
(c) Middle level (d) None of the above
4. Which of the following functions is performed by operational level management?
(a) Looking for the safety of workers.
(b) Representing the problems of workers before the middle level management.
(c) To ensure quality standards are properly followed.
(d) All of the above
5. Name the principle of management suggested by Henri Fayol, which advocates that, "there should be good superiors at all levels, clear and fair agreement and judicious application of penalties."
(a) Authority and responsibility (b) Esprit De Corps
(c) Order (d) None of the above
6. The principles of pure science are considered to be _____ in nature.
(a) Flexible (b) Rigid
(c) Creative (d) None of the above

7. According to this principle of scientific management, "Scientific management has for its foundation the firm conviction that true interest of the management and workers are one and the same; the prosperity for the employer cannot exist for a long time unless it is accompanied by prosperity for the employees and vice versa."
- (a) Science, not rule of thumb (b) Co-operation, not individualism
(c) Harmony, not discord (d) All of the above
8. Which technique of Taylor differentiates between an efficient worker and an inefficient worker?
- (a) Time Study (b) Functional foremanship
(c) Fatigue study (d) Differential Piece wage system
9. What is meant by Simplification as a technique of Scientific management?
- (a) Making simple methods of doing a job.
(b) Putting an end to the unnecessary types, qualities, sizes etc.
(c) Simplification of selling techniques.
(d) Simplifying the production techniques.
10. Which of the following is not a component of specific forces of business environment?
- (a) Technological conditions (b) Customers
(c) Employees (d) Investors
11. India continues to be a lower-middle-income country along with 46 others, while Sri Lanka has climbed to the upper-middle-income group for the fiscal year (FY) 2020, according to the World Bank's classification of countries by income levels, released on July 1, 2019.
- Identify the related dimensions of business environment.
- (a) Social dimension (b) Technological dimension
(c) Economic dimension (d) Political dimension
12. Increase in price of petrol can increase the sale of diesel cars. This is an example of business environment being :
- (a) Inter-related (b) Unrelated
(c) Perfect correlation (d) None of the above
13. Planning has no meaning unless it contributes to the achievement of predetermined organisational goals. Identify the feature of planning from above statement:
- (a) Planning focuses on achieving objectives (b) Planning is futuristic
(c) Planning is continuous (d) Planning is pervasive
14. Which is not a feature of planning?
- (a) It focuses on achieving objectives. (b) It is the primary function of management.
(c) It is pervasive. (d) It leads to rigidity.
15. **Assertion (A) :** Planning seeks to bridge the gap between where we are and where we want to go.
Reason (R) : Planning involves setting objectives and developing appropriate courses of action to achieve these objectives. Planning provides a rational approach for achieving predetermined objectives.
- (a) Both Assertion (A) and Reason (R) are true.
(b) (A) is True (R) is False.
(c) Both (A) and (R) are True, and R is the correct explanation of (A)
(d) Both (A) and (R) are True, and R is not the correct explanation of (A)
16. Organising is a process by which the manager
- (a) Establishes order out of chaos
(b) Removes conflict among people over work or responsibility sharing
(c) Creates an environment suitable for teamwork
(d) All of the above

- 17. Uranus Limited is a company dealing in metal products. The work is mainly divided into functions including production, purchase, marketing, accounts and personnel. Identify the type of organisational structure followed by the organisation.**
- (a) Functional structure (b) Relational structure
(c) Divisional structure (d) None of the above
- 18. Which of the following is not a demerit of divisional structure?**
- (a) It is an expensive structure to maintain, since there may be a duplication of activities across products.
(b) All functions related to a particular product are integrated in one department.
(c) Conflict may arise among different divisional heads due to different interests.
(d) Authority provided to the managers to supervise all activities related to a particular division may lead to undesirable consequences.
- 19. Which of the following is not an importance of organising?**
- (a) Increase cost (b) Clarity in working relationship
(c) Adoption to change (d) None of the above
- 20. Which of the following is a policy matter?**
- (a) Decentralisation (b) Delegation
(c) Formal Organisation (d) Informal Organisation
- 21. Anita decided to start a business of selling dress material from her house. She did various online service to find out about the preferences of prospective customers. Based on this, she prepared a detailed analysis of the business. She then made important decisions including deciding about the features, quality, packaging, labelling and branding of the dress material. Identify the element of marketing mix discussed above.**
- (a) Production (b) Market
(c) Product (d) Place
- 22. The main function of _____ is to provide information regarded by law.**
- (a) labelling (b) packaging
(c) branding (d) Both (a) and (b)
- 23. Manmeet went to a shop and expressed her desire to buy a copper water bottle only of Prestige company. Identify the component related to branding being described in the above case.**
- (a) Trademark (b) Generic name
(c) Brand name (d) Brand mark
- 24. Sohum is fond of a particular brand of stationery. Every time he buys his favourite brand stationery products, he does not need to make a close inspection of that product. Identify the relative advantage of branding to the customers being described in the given case.**
- (a) Supports in product identification (b) Certifies quality
(c) Considered to be a status symbol (d) None of the above
- 25. If the value of goods or services is more than ₹1 crore but less than ₹10 crore, then consumer can file case in**
- (a) District Commission (b) State Commission
(c) National Commission (d) All of the above
- 26. Who can be a Judge of State Commission?**
- (a) Retired or working Judge of District Court (b) Retired or working Judge of High Court
(c) Both (a) and (b) (d) None of the above
- 27. On a packet of juice, chips, biscuits what mark should be present?**
- (a) Agmark (b) FPO
(c) ISI mark (d) None of the above

28. Vasvi purchased a bottle of pickle from the local grocery shop. The information provided on the bottle was not clear. She fell sick on consuming it. She filed a case in the District Forum under Consumer Protection Act and got the relief.

Identify the important aspect neglected by the marketer in the above case.

- (a) Packaging (b) Labelling
(c) Branding (d) Grading
29. With increase in business the marketing manager became over burdened, identify the concept which can reduce the burden of marketing manager.

- (a) Delegation (b) Decentralisation
(c) Organising (d) None of the above

30. Tapas Sen, a manufacturer, redesigned his existing soup making machine into a small portable machine. For selling the machine, he entered into an agreement with his uncle who agreed to finance the project with a 50% share in the profits. To launch the machine, they decided to start with direct channels of distribution. They named the venture 'Cup-a-Soup'. In the first year, their main objective was profit maximisation. They appointed 30 trained salesmen for distribution of the machine across the country. They offered incentives and awards to salesmen for achieving their sales targets.

Identify the marketing philosophy used by 'Cup-a-soup'.

- (a) Product Concept (b) Production Concept
(c) Selling Concept (d) Marketing Concept
31. Style and Fit, a footwear manufacturing company has decided to offer 50% off on all its products due to the fall in demand of its products as more efficient substitutes have been introduced in the market. Identify the pricing objective included by the firm which has made the firm resort to discounting its product.

- (a) Obtaining market share leadership (b) Surviving in the competitive market
(c) Attaining product quality leadership (d) Protect the interest of public

32. Time period between receiving order and delivery of goods is known as

- (a) Transportation (b) Inventory
(c) Order processing (d) All of the above

33. Treasury Bills are basically

- (a) An instrument to borrow short term funds (b) An instrument to borrow long term funds
(c) An instrument of capital market (d) None of the above

34. The settlement cycle in NSE is

- (a) T + 5 (b) T + 3
(c) T + 2 (d) T + 1

35. Conversion of physical form of share certificate into an electronic entry is called

- (a) Exchange Mechanism (b) Conversion
(c) Dematerialisation (d) Rematerialisation

36. The Apex Body who controls the Capital Market of our country is

- (a) RBI (b) SBI
(c) SEBI (d) None of the above

37. The amount of current assets is decided by

- (a) Working capital concept (b) Fixed capital
(c) Investment decision (d) Financing decision

38. If ICR is high, firm prefers

- (a) Debt (b) Equity
(c) Both (a) and (b) (d) None of the above

39. A plan to open more branches and diversify the product mix will require how much fixed capital?
 (a) More (b) Less
 (c) No effect (d) both (a) and (b)
40. Planning and controlling are _____ to each other.
 (a) opposite (b) unrelated
 (c) interrelated (d) separate
41. Under critical point, control manager
 (a) Critically observes and takes action on every deviation.
 (b) Ignores deviation.
 (c) Gives more importance to deviations taking place in key areas.
 (d) None of the above
42. 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
43. To get the real feedback of employees, the manager must make use of:
 (a) Formal communication (b) Informal communication
 (c) Both (a) and (b) (d) None of the above
44. Payment of salary/wage to the employees according to the piece work
 (a) Time-based plan (b) Performance-based plan
 (c) Insertion-based plan (d) Compensation
45. Analysing existing employees is known as
 (a) Workload analysis (b) Workforce analysis
 (c) Training (d) Development
46. Analysing total number of employees required to perform the job in the organisation is known as
 (a) Workload analysis (b) Workforce analysis
 (c) Recruitment (d) Selection
47. "Managers become very smart and can take right decision by using management principles". This is related to which importance of management?
 (a) Scientific decisions (b) Providing managers with useful insight into reality
 (c) Effective administration (d) Fulfilling social responsibilities
48. The top level management of ABC Ltd. organise regular training session of their employees and even during selection process, they make sure only capable and competent persons join their organisation. State the scientific principle followed by ABC Ltd.
 (a) Science, not rule of thumb (b) Harmony, not discord
 (c) Cooperation not individualism (d) Development of workers to their greatest efficiency
49. Policy formulation is the function of
 (a) Top level managers (b) Middle level managers
 (c) Operational management (d) All of the above
50. Keeping in view, the changes in the consumer demands and preferences, Royal Bakery has reduced the sugar and fat content in its products. This approach of business shows that management is
 (a) An intangible force (b) A group activity
 (c) A dynamic function (d) A multidimensional activity



Answers

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