

Time allowed: 45 minutes

Maximum Marks: 200

General Instructions: Same as Practice Paper-1.

Choose the correct option in the following questions.

1. The objective of management which consistently creates economic values for various sections of society is
 - (a) Organisational Objectives
 - (b) Social Objectives
 - (c) Personal Objectives
 - (d) Both Social and Personal Objectives
2. Management is essential for the following Organisation(s)
 - (a) Big or Small
 - (b) Profit or Non-Profit
 - (c) Service or Manufacturing
 - (d) All of these
3. "An organisation interacts with its external environment which consists of various social, economic and political factors. In order to be successful, an organisation must change itself and its goals according to the needs of the environment." Identify the characteristic of management highlighted here.
 - (a) Management is a goal-oriented process
 - (b) Management is a group activity
 - (c) Management is multi-dimensional
 - (d) Management is a dynamic function
4. Which of the following is not a part of importance of management-"Management helps in the development of society?"
 - (a) It creates employment opportunities.
 - (b) It provides good quality products and services.
 - (c) It adopts new technology for the benefit of the people.
 - (d) None of the above
5. Which principle of general management advocates that, "Employee turnover should be minimised to maintain organisational efficiency."?
 - (a) Stability of personnel
 - (b) Remuneration of employees
 - (c) Equity
 - (d) Esprit De Corps
6. In today's dynamic business environment, companies are specialising in their core competency and divesting non-core businesses. In this context, one may cite the decision of Hindustan Unilever limited in divesting non-core businesses of chemicals and seeds. Some companies are outsourcing their non-core activities like share-transfer management and advertising to outside agencies. So much so, that even core processes such as R&D, manufacturing and marketing are being outsourced today. Thus, the significance of 'Business Process outsourcing' (BPO) and 'Knowledge Process outsourcing' (KPO) has increased.

Identify the significance of principles of management highlighted above.

- (a) Providing managers with useful insight into reality
- (b) Optimum utilisation of resources

- (c) Meeting changing requirements
(d) Scientific decisions
- 7. Rishab, a manager, very often speaks to people at all levels, passing on instructions regarding his department and also the other departments. Which principle of management is being overlooked?**
- (a) Unity of command (b) Remuneration of employees
(c) Scalar chain (d) Gang plank
- 8. In which two departments did Taylor divide the work of a factory manager?**
- (a) Department of Planning and Production (b) Department of Planning and Finance
(c) Department of Planning and Marketing (d) Department of Planning and Research
- 9. What creates fear in the minds of investors to invest in long term projects?**
- (a) Political uncertainty (b) Society
(c) Reserve Bank of India (d) All of the above
- 10. _____ feature of business environment states that various factors of business environment affect each other.**
- (a) Pervasive (b) Continuous
(c) Dynamic (d) Interrelatedness
- 11. The term business environment refers to _____ factors which impact functioning of a firm.**
- (a) External factors (b) Internal factors
(c) Management related factors (d) Internal and External factors
- 12. Planning precedes other functions as all the other managerial functions are performed within the framework of planning. Identify the feature of planning from above statement:**
- (a) Planning is futuristic (b) Planning is continuous
(c) Planning is primary function of management (d) Planning involves decision making
- 13. A manager is required to make certain assumptions about the future which may be in the form of forecast. This step of planning is known as**
- (a) Follow up (b) Developing Premises
(c) Evaluating alternative courses of action (d) Identifying alternative courses of action
- 14. Which of the following statement is not true with reference to planning?**
- (a) Planning is prerequisite for controlling.
(b) Planning does not look into future.
(c) Planning facilitates coordination in organisation.
(d) Planning focuses on achieving objectives.
- 15. It refers to the number of subordinates that can be effectively managed by a superior,**
- (a) Organisational structure (b) Informal organisation
(c) Span of management (d) None of the above
- 16. Identify the type of organisational structure which facilitates occupational specialisation.**
- (a) Functional structure (b) Horizontal structure
(c) Network structure (d) Divisional structure
- 17. _____ may be defined as the framework within which managerial and operating tasks are performed.**
- (a) Organisational structure (b) Delegation
(c) Span of management (d) None of the above
- 18. Fast decision can be taken by using the concept of**
- (a) Delegation (b) Formal Organisation
(c) Decentralisation (d) None of the above

19. It flows downwards, from superior to subordinate

- (a) Authority (b) Accountability
(c) Responsibility (d) None of these

20. With which element is exchange mechanism related?

- (a) Publicity (b) Marketing
(c) Advertising (d) Branding

21. Match the following by choosing the correct option.

Column A	Column B
(i) Social process	(A) Market
(ii) Set of potential customers	(B) Marketing
(iii) Controllable variables	(C) Functions of marketing
(iv) Marketing activities	(D) Marketing mix

- (a) (i) – (D), (ii) – (C), (iii) – (A), (iv) – (B) (b) (i) – (B), (ii) – (A), (iii) – (D), (iv) – (C)
(c) (i) – (C), (ii) – (D), (iii) – (A), (iv) – (B) (d) (i) – (D), (ii) – (C), (iii) – (B), (iv) – (A)

22. Which component of product mix provides status symbol as the advantage to customer?

- (a) labelling (b) branding
(c) packaging (d) none of these

23. In order to improve upon its competitive edge, Khushboo Ltd. has changed the packaging of its hair care products. They are now available in customer friendly design, which has a nozzle attach to the lid so that at the time of usage, the consumer doesn't need to open the cap of the bottle. Name the marketing function being explained in the given lines.

- (a) product design and development (b) customer support services
(c) promotion (d) physical distribution

24. _____ is father of Modern Marketing.

- (a) Abraham Maslow (b) Lester Wunderman
(c) Peter Drucker (d) Philip Kotler

25. MOHAN Limited has hired 300 salesmen who will be assigned the task of contacting prospective buyers and creating awareness about the new range of organic incenses introduced by the company. Identify the element of promotion been described in the given lines.

- (a) Advertising (b) Sales promotion
(c) Personal selling (d) Public relation

26. On a packet of juice, chips, biscuits what mark should be present

- (a) Agmark (b) FPO
(c) ISI mark (d) None of the above

27. 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

28. To avail the benefits of Consumer Protection Act, the consumer

- (a) Must insist on cash memo (b) No necessity for cash memo
(c) Need a certificate of consumer (d) None of the above

29. To be listed on NSEI, the minimum capital requirements for a company

- (a) ₹ 5 crores (b) ₹ 3 crores
(c) ₹ 6 crores (d) ₹ 1 crore

- 30. The settlement cycle in NSE is**
 (a) T + 5 (b) T + 3 (c) T + 2 (d) T + 1
- 31. The Apex Body who controls the Capital Market of our country is**
 (a) RBI (b) SBI (c) SEBI (d) None of the above
- 32. Which instrument does not relate to money market?**
 (a) Call money (b) Treasury bill (c) Commercial Bill (d) IPOs
- 33. 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
- 34. Megha is planning to enter in the business of Herbal Shampoo. In the beginning she was thinking there are very few companies making herbal shampoo, but when she started selling her product she realised that many companies are already in the business of selling herbal shampoo.**
Identify the factor affecting working capital in the above para.
 (a) Growth prospects (b) Nature of business
 (c) Level of competition (d) Business cycle fluctuation
- 35. 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)
- 36. 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
- 37. If ICR is high, firm prefers**
 (a) Debt (b) Equity
 (c) Both (a) and (b) (d) None of the above
- 38. The amount of fixed assets is decided by**
 (a) Working capital concept (b) Fixed capital
 (c) Investment decision (d) Financing decision
- 39. If a firm has growth opportunities, it should prefer giving**
 (a) Low dividend (b) High dividend
 (c) Does not effect dividend decision (d) None of the above
- 40. What is related to debt?**
 (a) Higher cost higher risk (b) Lower cost higher risk
 (c) High cost low risk (d) Low cost low risk
- 41. Management by exception refers to**
 (a) Controlling significant deviations (b) Focus on key result areas
 (c) Check on each and every activity (d) Keep a control on everything
- 42. Standards can be set in the following terms:**
 (a) Only Qualitative (b) Only Quantitative
 (c) Both Qualitative and Quantitative (d) Neither Qualitative nor Quantitative
- 43. If deviations are minor, it should**
 (a) Be taken seriously (b) Be ignored
 (c) Be reported to top level (d) None of the above

- 44. When mismatch between plan and actual performance is due to over or under stating of plan, then it is called**
 (a) Strategic Control (b) Operational Control
 (c) Both (a) and (b) (d) None of the above
- 45. Informal organisation and informal communication tries to fulfil**
 (a) Physiological need (b) Social need
 (c) Safety security need (d) Self-actualisation need
- 46. The leader who does not welcome suggestions of employees is called**
 (a) Autocratic leader (b) Democratic leader
 (c) Free Rein leader (d) None of the above
- 47. 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
- 48. Directing**
 (a) Is a primary function of management (b) Initiates action
 (c) Recruits and Selects employees (d) Identifies and groups the activities
- 49. To build up the morale of employees and to develop interest in the job, manager uses the following element of directing.**
 (a) Supervision (b) Leadership
 (c) Motivation (d) Communication
- 50. Motivators can be**
 (a) Positive only (b) Negative only
 (c) Positive as well as negative (d) None of the above



Answers

PRACTICE PAPER – 13

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