

PRACTICE PAPER

11

Time allowed: 45 minutes

Maximum Marks: 200

General Instructions: Same as Practice Paper-1.

Choose the correct option in the following questions.

1. Management is said to be poor if it is
 - (a) Efficient but ineffective
 - (b) Effective but inefficient
 - (c) Both inefficient and ineffective
 - (d) All of the above
2. Suzy Enterprises Limited is planning to increase its sales by 25% in the next year. Identify the feature of management being highlighted in the given statement.
 - (a) Management is all pervasive
 - (b) Management is a goal oriented process
 - (c) Management is a continuous process
 - (d) All of the above
3. Management is considered to be an art because
 - (a) The principles of management have universal validity.
 - (b) The principles of management have universal application.
 - (c) Different principles of management are brought into effect differently by different managers.
 - (d) It is not important for the practicing managers to be a member of a professional association.
4. The objective of the Marketing Department of 'KOTEX Ltd.' is to increase sales by 10 per cent by offering discounts. But, the finance department may not approve of such discounts as it means loss of revenue. These kinds of conflict arise in organizations because each department performing activities in isolation from others and barriers between departments are becoming more rigid. Identify the point of importance of coordination to which this case is related
 - (a) Growth in size
 - (b) Functional differentiation
 - (c) Specialization
 - (d) None of these
5. The salesman of ABC Ltd. could not achieve his sales target of 1000 units, on enquiry it was found that he was not allowed to take decision related to give discount or credit to any of his customer. State the principle of Management violated in this case.
 - (a) Principle of division of work
 - (b) Principle of authority and responsibility
 - (c) Principle of order
 - (d) None of these
6. Which of the following technique of scientific management violate's the Principle of Equity?
 - (a) Functional Foremanship
 - (b) Standardisation and Simplification of Work
 - (c) Differential Piece Wage System
 - (d) Method Study
7. Which one of the following statements best describes 'Mental Revolution' as described by F.W. Taylor?
 - (a) It implies change of attitude.
 - (b) The management and workers should not play the game of one upmanship.
 - (c) Both management and workers require each other.
 - (d) Workers should be paid more wages.

8. A worker directly contacts the CEO of the company with a complaint regarding working conditions in the factory. Which of the following principles is being violated here?
 - (a) Unity of Command
 - (b) Discipline
 - (c) Scalar Chain
 - (d) Unity of Direction
9. Business environment is the sum total of all the factors and forces _____ to a business.
 - (a) Internal
 - (b) Specific
 - (c) External
 - (d) All of these
10. WhatsApp was the first application for mobile chat. Afterwards, many other applications came but still whatsapp is No.1 in mobile chat. Which importance of Business Environment is highlighted here?
 - (a) Helps in tapping resources
 - (b) Helps in policy making
 - (c) Identifying threat and getting warning signal
 - (d) Helps to identify opportunities and getting first mover advantages
11. Specific attitudes that elected government representatives hold towards business is called _____ environment.
 - (a) Legal
 - (b) Social
 - (c) Technological
 - (d) Political
12. Identify the statement which is not correct.
 - (a) Planning is required a top-level management only.
 - (b) Planning facilitates decision-making.
 - (c) Planning is a time consuming process.
 - (d) All are correct
13. Rakhi Dua is employed at the middle level management of 'Punjab Food Suppliers'. Working in her department she noticed that they are asked to implement the plans prepared by the top management without making any change. Many a time, even though wishing to do so, she cannot make any change in them. As a result of it, the initiative and creativity of the managers at the middle level management, gets killed. Not only this, several times, even opportunities of advantage slip out of hand. Rakhi is very unhappy with this state of affairs of the company, and she is thinking of shifting to some other company at the earliest. Identify the 'limitation of planning' in the above event.
 - (a) Planning leads to rigidity.
 - (b) Planning may not work in a dynamic environment.
 - (c) Planning reduces creativity.
 - (d) None of the above
14. All other managerial functions are performed within the framework of the plans drawn. Identify the related feature of planning.
 - (a) Planning focuses on achieving objectives.
 - (b) Planning is pervasive.
 - (c) Planning is futuristic.
 - (d) Planning is primary function of management.
15. Rishabh has joined as a Creative Head in an entertainment company. He always ensures that the work has been divided into small and manageable activities and also the activities of similar nature are grouped together. Identify the related step in organising process being mentioned in the above lines.
 - (a) Identification and division of work
 - (b) Departmentalisation
 - (c) Assignment of duties
 - (d) Establishing reporting relationships
16. In order to successfully realize the objectives of an organisation, first of all it is ensured which activities will have to be performed. In the list of activities, all the activities, both big and small, are included. But it is not possible to set up separate departments for all the activities. Some similar activities are put together in the same department. In this way some necessary departments are set up. The reason for doing so is to exercise control over unnecessary administrative expenses. Identify the concept of management under which similar activities are put together and departments are set up.
 - (a) Departmentalisation
 - (b) Delegation

- (c) Decentralisation (d) Centralisation
- 17. The accountability flows**
 (a) In all directions (b) Downwards
 (c) Upwards (d) None of the above
- 18. Match the following on the basis of demerits of the content:**
- | | |
|---------------------------|---|
| (i) Divisional structure | A. Difficult for a multiproduct company |
| (ii) Functional Structure | B. Difficult to fix responsibility |
| | C. Non economical |
| (i) (ii) | (i) (ii) |
| (a) A B | (b) B A |
| (c) C A | (d) B C |
- 19. 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
- 20. Harshit is planning a start up a venture for offering mobile pet care services at door step. He has decided to charge Rs. 1000 for heated hydrobath & blow dry of a pet and Rs. 500 for shampoo and conditioning. Identify the element of marketing mix which is not being described in the above case.**
 (a) Product (b) Place
 (c) Price (d) None of the above
- 21. Guneet 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
- 22. The labelling of a pack of oats cookies explains how the product is beneficial in adding fibre to the diet and the other related health benefits. Identify the related function of labelling being described in the given case.**
 (a) Describes the product and specifies its content
 (b) Identification of the product or brand
 (c) Grading of products
 (d) Helps in promotion of the products
- 23. Madhubala is planning to launch an online education portal. In order to understand the varied needs of the students, she conducted an online survey. Based on the feedback of the survey, she has decided to offer educational packages to the prospective buyers.**
Identify the type of marketing concept being described in the given lines.
 (a) Product concept (b) Production concept
 (c) Marketing concept (d) Societal marketing concept
- 24. Which one of the following is not a marketing mix?**
 (a) Product (b) Physical distribution
 (c) Product pricing (d) Production process
- 25. Within 2 years of its inception, Bhavishya Limited has created a very positive reputation about itself and its products in the eyes of general public by participating extensively in various social welfare programs. Identify the component of promotion mixing described in the given lines.**
 (a) Advertising (b) Personal selling
 (c) Public relation (d) Sales promotion
- 26. The purpose of one of the training methods is to make the new employee feel at home and develop a feeling of belongingness in the organisation. That method is**
 (a) Induction training (b) Apprenticeship training
 (c) Internship (d) Vestibule school

- 27. The candidate who has applied for job can clarify his queries during**
 (a) Test (b) Employment interview
 (c) Medical examination (d) Selection decision
- 28. Which of the following is called a negative process?**
 (a) Recruitment (b) Training
 (c) Selection (d) None of the above
- 29. The concept which involves growth of individual in all respect is:**
 (a) Training (b) Development
 (c) Promotion (d) Transfer
- 30. 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
- 31. It is concerned with designing jobs that include greater variety of work content.**
 (a) Employees' Recognition Programme (b) Job Enrichment
 (c) Career Advancement Opportunity (d) Promotion
- 32. 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
- 33. 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
- 34. Status comes under which following type of barriers?**
 (a) Semantic barrier (b) Organisational barrier
 (c) Non Semantic barrier (d) Psychological barrier
- 35. The process of converting the message into communication symbols is known as:**
 (a) Media (b) Encoding
 (c) Feedback (d) Decoding
- 36. 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
- 37. Current assets are those assets which get converted into case**
 (a) within six months (b) within one year
 (c) between one and three years (d) between three and five years
- 38. Financial planning arrives at**
 (a) Minimising the external borrowing by resorting to equity issues.
 (b) Entering that the firm always have significantly more fund than required so that there is no paucity of funds.
 (c) Ensuring that the firm faces neither a shortage nor a glut of unusable funds.
 (d) Doing only what is possible with the funds that the firms has at its disposal.
- 39. Higher dividends per share is associated with**
 (a) High earning, high cash flows, unusable earnings and higher growth opportunities
 (b) High earning, high cash flows, stable earnings and high growth opportunities

- (c) High earning, high cash flows, stable earnings and lower growth opportunities
(d) High earning, low cash flows, stable earnings and lower growth opportunities
- 40. Positive leverage effect brings**
(a) Gain for equity shareholders (b) Loss for equity shareholders
(c) Both (a) and (b) (d) None of the above
- 41. Customers of different banks can use same ATM machine for withdrawal of money. This is related to which factor of fixed capital requirement?**
(a) Diversification
(b) Growth Prospects
(c) Availability of finance
(d) Level of collaboration/Joint Venture and Leasing
- 42. Financial market helps to save time, efforts and money that both buyers and sellers of financial assets would have to otherwise spend on getting information. The function of financial market referred in above para is**
(a) Facilitate Price discovery
(b) Provide liquidity to financial assets
(c) Reduce the cost of transaction
(d) Mobilisation of saving and channelising them into most productive use
- 43. The economic condition of every country is reflected by dealings in**
(a) Stock Market (b) Money Market
(c) Primary Market (d) None of the above
- 44. Which instrument of money market is also called zero coupon bond?**
(a) Call money (b) Commercial Paper
(c) Certificate of Deposit (d) Treasury Bill
- 45. Which market directly contributes for capital formation and increase in capital of firms?**
(a) Primary market (b) Secondary market
(c) Both (a) and (b) (d) None of the above
- 46. SEBI protects the interest of**
(a) Investors (b) Companies
(c) Brokers (d) None of the above
- 47. Amaira's grandmother in her Will gave shares worth ₹50 lac in her name, when she opened the bank locker to get the share certificates, she found all were in very bad shape, half torn etc. To overcome this problem financial market has started a new concept called:**
(a) Dematerialisation (b) Demutualisation
(c) Both (a) and (b) (d) None of the above
- 48. 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
- 49. Informing consumer about the contents of the product, its usage, etc. is part of**
(a) Right to Safety (b) Right to Information
(c) Right to Consumer Education (d) Right to be Heard
- 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

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