

**Doon Public School, Bhuj**  
**Worksheet- Important Questions**

**Class 12 Business Studies**

**Chapter 1 - Nature and Significance of Management**

**QUESTIONS FOR PRACTICE**

1. Mr. X, the director of a company many times get involved in activities like procurement of raw material, production and dispatch of goods, employee discipline etc.

- (a) Name the level of management Mr. X belongs to.
- (b) Do you think he must be involved in such activities? Give reason.
- (c) Give two important functions, Mr. X must perform?

[Hint: (a) Top level (b) No, as these are routine jobs (c) setting goals, formulating objectives etc.]

**Q2.** Management of Global Ltd. fulfills all its objectives and the organization is able to work effectively and efficiently. It is using environment friendly methods of production and disposes off the waste material by either recycling it or using the same for landfill in such a manner that aquatic life is not disturbed. It also provides employment opportunities to the disadvantaged sections of the society.

- (a) Identify the objective of management which the company is fulfilling by doing such activities.
- (b) State any other 2 objectives which they should fulfill?
- (c) Which two values is the company achieving by their activities?

**Q3.** In ABC Ltd., the purchase department purchased 20 tonnes of raw material for production department. Although only 15 tones was needed by production department. Due to this, goods were overproduced and were not accepted by sales department. As a result, some goods remained unsold. Which aspect of management is lacking among various departments. Give any 2 importance of the above asked element.

[Hint: (a) Co-ordination]

**Q4.** The marketing manager of Alpha Ltd. fixed the target for all his sales executives and gave them all the possible authorities to achieve it. They were asked to submit to him their performance report at the end of the month. All of them did the same. On the receipt of report, the expected and actual results of sales executives were compared, on this basis future course of action was decided. The sales Executive also wrote in their report what the expectations of the customers from the company were. Majority of them had written that they wanted the co. to cooperate in the

construction of Dharmsala going on in the city. The marketing manager placed this demand before the Board of Directors. This was happily accepted.

**(a)** Identify the functions of management described in above paragraph by quoting relevant lines.

**(b)** Which 2 values are given to society?

**(c)** Which objective is being highlighted here?

[Hint : (a) Organizing, Controlling and Planning],

**(b)** Community development, Accomplishment of social responsibility]

**(c)** Social Objective

**Q5.** Three groups of employees of Ganga Ltd. are working at different posts. The first group is responsible for survival and growth of organization. This group continuously keeps a watch over the business environment. With a view of coping with the changes going on in the business environment this group immediately discusses the change to be brought about in company's plan. The second group is to explain the policies by superiors to the employees and developing the feeling of cooperation among all the departments. The Third group is responsible for maintaining quality and safety standards and minimizing wastage.

(a) Identify the levels of management described in above paragraph by quoting relevant lines.

[Hint: (a) Top level (b) Middle level (c) Supervisory level.]

**Q6.** Grey Ltd. is facing a lot of problems these days. The Co's margin is declining day by day. The Production manager is blaming marketing department whereas marketing is blaming production department for not maintaining the quality. Finance department is blaming the both.

**(a)** What aspect of management do you think is lacking in the above situation.

**(b)** Give the importance of that concept.

[Hint: Co-ordination]

**Q7.** Rahul is planning to launch a new line of products in 2 years time. However at present he has reduced its prices by 10% to retain its existing customers. What are the 2 main objectives he is focusing at? Give reason.

[Hint: **(1)** Growth - by launching a new product line

**(2)** Survival - by reducing prices]

**Q8.** After every three months, Mr. Ramakant offers new schemes to its distributors. He tries to bring in changes keeping in mind the needs of a customer and offers from his competitors. This gives him an edge over his competitors. Identify the characteristic of management in above situation? Explain it briefly. [Hint: Dynamic].

**Q9.** Toys & toys Ltd. received a new order of 10,000 toys to be delivered in 15 days, failing which the contract will be null and void. To complete this, Mr. Pankaj, production manager planned to

outsource the production and deliver the order on time. The outsourcing of production results in increase in cost by 30%. Do you think the production manager performed his duties effectively and efficiently? Give reasons. [Hint : Effective but not efficient.]

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**Q10.** Gemini Circus is organizing shows internationally for the last thirty years. Their shows have been successful across the globe. Of late, their shows are not as popular as they were in the past. After analyzing, they are thinking of bringing necessary changes in their shows to gain popularity. Identify which characteristics of management is reflected in above situation? Give reasons.

**(a)** Which function of management is indicated here?

[Hint: **(a)** Dynamic and Goal oriented.

**(b)** Planning and Controlling.

**Q11.** Ford Motors aims to produce and sell 1,50,000 cars in 2014. To achieve this target the production department strives for timely production and sales department takes all possible steps to sell them. Due to combined efforts of all the departments, company can achieve its target.

**(a)** Which importance of management is highlighted here? Explain any two other significances of management.

**(b)** Which other aspect of management helps in achieving goal in Ford Motors.

[Hint: **(a)** "Management helps in achieving group goals

**(b)** Co-ordination.]