

# VIDYA BHAWAN BALIKA VIDYA PITH

## शक्ति उत्थान आश्रम लखीसराय बिहार

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Teacher name – Ajay Kumar Sharma

### Case Studies In Business Studies

#### Question 1:

Ashutosh Goenka was working in 'Axe Ltd.', a company manufacturing air purifiers. He found that the profits has started declining from the last six months. Profit has an implication for the survival of the firm, so he analysed the business environment to find out the reasons for this decline.

1. Identify the level of management at which Ashutosh Goenka was working.
2. State three other functions being performed by Ashutosh Goenka.

#### Answer:

Ashutosh Goenka was working at top level of management. The three functions being performed by him at this level are outlined below:

1. He is responsible for formulating the overall organizational goals and strategies.
2. He is responsible for all the business activities and its impact on society.
3. He has to coordinate the activities of different departments in pursuit of common goals.

#### Question 2:

Rishitosh Mukerjee has recently joined AMV Ltd, a company manufacturing refrigerators. He found that his department was under-staffed and other departments were not cooperating with his department for smooth functioning of the organisation. Therefore, he ensured that his department has the required number of employees and its cooperation with other departments is improved.

1. Identify the level at which Rishitosh Mukerjee was working.
2. Also, state three more functions required to be performed by Rishitosh Mukerjee at this level.

#### Answer:

Rishitosh Mukerjee is working at middle level of the management. The three more functions that he has to perform at this level are stated below:

1. He has to assign duties and responsibilities to the people in his department.
2. He has to motivate the people in his department to achieve the desired objectives.
3. He has to interpret the policies framed by top management.

#### Question 3:

Sridhar's father is working as a section in-charge in a government office. Identify the level of management at which he is working? State any five functions that he has to perform at this level.

#### Answer:

Sridhar's father is working as a section in-charge in a government office. He is working at the lower

level of management.

He has to perform the following functions at this level of management:

1. He has to directly oversee the efforts of the workforce.
2. He has to serve as a link between the workers and middle level managers.
3. He has to ensure sufficient availability of resources and good quality of output.
4. He has to provide guidance and training to workers.
5. He has to ensure that good working conditions are provided to the workers.

#### **Question 4:**

Mega Ltd. manufactured water-heaters. In the first year of its operations, the revenue earned by the company was just sufficient to meet its costs. To increase the revenue, the company analysed the reasons behind the less revenues. After analysis, the company decided:

1. to reduce the labour costs by shifting the manufacturing unit to a backward area where labour was available at a very low rate.
2. to start manufacturing solar water-heaters and reduce the production of electric water- heaters slowly.

This will not only help in covering the risks but also help in meeting other objectives.

1. Identify and explain the objectives of management discussed above.
2. State any two values which the company wanted to communicate to society.

#### **Answer:**

1. The objectives of management discussed above are:
  - Organisational objectives: An organisation strives to achieve multiple organizational objectives in the interest of its stakeholders like owners, employees etc. The main organizational objectives are survival, profit and growth.
  - Social Objectives: It is the obligation of every organisation to undertake such activities which will benefit the society at large like using eco-friendly methods, contributing towards weaker sections of the society, generating employment opportunities, promoting literacy etc.
2. The two values that the company wanted to communicate to the society are:
  - Rural development
  - Environment sustainability

#### **Question 5:**

XYZ Power Ltd. set up a factory for manufacturing solar lanterns in a remote village as there was no reliable supply of electricity in rural areas. The revenue earned by the company was sufficient to cover the costs and the risks. As the demand of lanterns was increasing day- by-day, the company decided to increase production to generate higher sales. For this/they decided to employ people from a nearby village as very few job opportunities were available in that area. The company also decided to open schools and creches for the children of its employees.

1. Identify and explain the objectives of management discussed above.
2. State any two values which the company wanted to communicate to the society.

#### **Answer:**

1. The objectives of management discussed above are:
  - Organisational objectives: An organisation strives to achieve multiple organizational objectives in the interest of its stakeholders like owners, employees etc. The main organisational objectives are survival, profit and growth.
  - Social Objectives: It is the obligation of every organisation to undertake such activities which will benefit the society at large like using eco-friendly methods, contributing towards weaker sections of the society, generating employment opportunities, promoting literacy etc.
2. The two values that the company wanted to communicate to the society are:
  - Rural development
  - Promoting literacy

**Question 6:**

Your grandfather has retired as the Director of a manufacturing company. At what level of management was he working? What functions do you think he was performing at that level? State any two,

**Answer::**

Since he has retired from the post of Director of a manufacturing company, he was working at the top level of management.

The main functions that he was performing at this level are outlined below:

1. He was responsible for the success and failure of the organization.
2. He was responsible for all the business activities and its impact on society.
3. He had to coordinate the activities of different departments in pursuit of common goals.

**Question 7:**

Ritu is the manager of the northern division of a large corporate house. At what level does she work in the organisation? What are her basic functions?

**OR**

Your grandfather has retired from an organisation in which he was responsible for implementing the plans developed by the top management. At which level of management was he working? State one more function performed at this level.

**OR**

Deepak's father has retired as a purchase manager of a company. At what level of management was he working? What function do you think he was performing at that level of management?

**OR**

Dheeraj is working as an Operations Manager in Tifco Ltd. Name the managerial level at which he is working. State any four functions he will perform as the Operations Manager in this company.

**OR**

Rajat is working as a Regional Manager in Tifco Ltd. Name the level at which he is working. State any four functions he will perform as the Regional Manager in this company.

**Answer::**

Ritu / grandfather / Deepak's father / Deeraj / Rajat, all of them are working at the middle level of management.

The four functions that he will have to perform at this level are stated below:

1. He has to ensure that his department has the necessary staff.
2. He has to assign duties and responsibilities to the people in his department.
3. He has to motivate the people in his department to achieve the desired objectives.

4. He has to co-operate with the other departments for ensuring smooth functioning of the organization.

**Question 8:**

Vaibhav Garments Ltd/s target is to produce 10,000 shirts per month at a cost of ₹150 per shirt. The production manager could achieve this target at the cost of ₹160 per shirt. Do you think the production manager is effective? Give reasons for your answer.

**Answer:**

Yes, the production manager of Vaibhav Garments Ltd. is effective as he could achieve the target to produce 10,000 shirts in a month.

**Question 9:**

Mr. Nitin Singhania's father has a good business of iron and steel. He wants to go to the USA for his MBA but his father thinks that he should join the business. On the basis of emerging- trends, do you think that Mr. Singhania should send his son to the USA? Give any three reasons in support of your answer.

**Answer:**

Yes, according to me, Mr. Singhania should send his son to USA for his MBA because management is being recognised as a profession to a great extent because of the following reasons:

1. Well defined body of knowledge: Management is considered to be a well-defined body of knowledge that can be acquired through instructions. As a separate discipline, it contains a set of theories and principles formulated by various management experts. Moreover, it is taught in various schools and colleges all over the world.
2. Ethical code of conduct: Management, in practice, like other professions, is bound by a code of conduct which guides the behaviour of its members. Therefore, acquiring a degree in management will equip him with the good managerial, skills and approach.
3. Service motive: A good management course will provide him an insight into the multiple goals that an organisation should pursue. This knowledge will help him to serve both the objectives of profit maximization and social welfare effectively for his company.