

VIDYA BHAWAN BALIKA VIDYA PITH

शक्ति उत्थान आश्रम लखीसराय बिहार

class 12 commerce Sub. BST. Date 25.7.2020

Teacher name – Ajay Kumar Sharma

LATEST CBSE QUESTIONS

Question 1.

Differentiate between 'formal' and 'informal' organisation on the basis of 'origin'. (CBSE, Delhi 2017)

Answer:

Formal organisation arises as a result of companies rules and policies whereas informal organisation emerges spontaneously from within the formal organisation as a result of social interactions, amongst the employees.

Question 2.

Aman Chadha started 'Bulls Eye' a company for providing cyber security solutions to businesses. Its objective is to prevent, detect and respond to cyber attacks and protect critical data. He was a hardworking software engineer and an expert in cyber security. His reputation grew by leaps and bounds as he was not only a person of integrity but also did his work with utmost honesty and sincerity. The business started growing day by day.

He was delighted when he was offered a big project by the Ministry of Defence. While working on the project, he found that the volume of work made it impractical for him to handle all the work by himself. He decided to expand the team. The company maintained a close liaison with a local engineering college. During a campus placement, Ishan and Vrinda were appointed to work for the new project. He found the new employees capable, enthusiastic and trustworthy. Aman Chadha was thus, able to focus on objectives and with the help of Ishan and Vrinda, the project was completed on time. Not only this Aman Chadha was also able to extend his area of operations. On the other hand Ishan and Vrinda also got opportunities to develop and exercise initiative.

1. Identify and briefly explain the concept used by Aman Chadha in the above case which helped him in focusing on objectives.
2. Also, state any four points of importance of the concept identified in (i) above. (CBSE, Delhi 2017)

Answer:

1. Delegation of authority is the concept used by Aman Chadha in the above case which helped him in focusing on objectives.
Delegation of authority is the process of granting of authority to the subordinates to operate within prescribed limits.
2. The four points of importance of delegation of authority are described below:
 - **Effective management:** It helps the managers to function more efficiently as they get more time to concentrate on important matters. Freedom from doing routine work provides them with opportunities to excel in new areas.
 - **Employee development:** By empowering the employees, they are given more opportunities to utilise their talent and this may help them to become better leaders and decision makers in future.

- **Motivation of employees:** Delegation also has psychological benefits as helps in building the self-esteem of an employee and improves his confidence and work performance. When a superior entrusts a subordinate with a task, it is not merely the sharing of work but involves trust on the superior's part and commitment on the part of the subordinate. Thus, delegation may give rise to latent abilities in the subordinates.
- **Facilitation of growth:** With the increase in the competence of the employees, an organisation tends to gain in many ways. The growth and expansion of the firm becomes easy as the capable workforce is ready to take greater responsibilities.

Question 3.

Give the meaning of 'supervision' as an element of directing. (CBSE, OD 2017)

Answer:

Supervision is the process of overseeing the work of a subordinate by his superior.

Question 4.

Differentiate between 'formal' and 'informal' organisation on the basis of 'flow of communication'. (CBSE, OD 2017)

Answer:

In a formal organization the communication takes place through the scalar chain whereas in an informal organization communication can take place in any direction there is no planned route.

Question 5.

What is meant by span of management? (CBSE, Sample Paper, 2017)

Answer:

Span of management refers to the number of subordinates that can be effectively managed by a superior. A narrow span of control would necessitate more number of levels in the organisation or vice versa.

Question 6.

Ramdas, aged 49 is working in an aviation company. He is the senior most employee in his division. He is even senior to the division manager, Kanaputti. Ramdas is considered one of the most committed, capable and hard-working employees. As a result of his abilities and seniority, he generally received the work assignments of his choice. Although there was no formal designation of various „special' projects assigned to Ramdas, he handled them as a matter of routine. A problem developed when an able and intelligent person Nagarjuna, aged 33, was appointed by Kanaputti. Nagarjun's previous three years' experience in the closely related work, made it possible for him to catch on to the routine work of his new job more rapidly than was customary for a new employee. On several occasions, Kanaputti noticed the tension developing between the two employees. However, he didn't want to get involved in their personal issues as long as the work was completed effectively and efficiently by them. One day, the tension between them reached the boiling point and Ramdas complained to

Kanaputti stating that his duties were being largely taken over by Nagarjun. Kanaputti issued the order stating the clear allocation of the jobs and related duties between the two. He further clarified the working relationship between them by specifying who was to report to whom. This helped in

reducing the workload, enhancing productivity and removing ambiguity. (CBSE, Sample Paper, 2017)

1. Identify and state the step of organizing process which has not been carried out properly and contributed to this problem.
2. State the two steps of the organizing process which have been taken by Kanaputti to respond to the complaint of Ramdas.
3. Also state two points of importance of organizing as reflected in the above case.

Answer:

1. The step of organizing process which has not been carried out properly and contributed to this problem is Assignment of duties.
Assignment of Duties: Once departments have been created each of them is placed under the charge of an individual and then jobs are allocated to the members as per their job positions.
2. The two steps of the organizing process which have been taken by Kanaputti to respond to the complaint of Ramdas are listed below:
 - Assigning the duties
 - Establishing reporting relationship.
3. The two points of importance of organizing as reflected in the above case are described below:
 - **Optimum utilization of resources:** Organising ensures best possible use of all forms of resources i.e. physical, financial and human resource. It ensures systematic assignment of jobs thereby curbing overlapping of work and avoiding possibilities of duplication of work. This helps in preventing confusion and minimising the wastage of resources and efforts.
 - **Adaptation to change:** The process of organising provides stability to the enterprise as it can then continue to survive and grow inspite of changes in the business environment. It enables the organisation structure to be suitably modified and the revision of inter-relationships amongst managerial levels to pave the way for a smooth transition.

Question 7.

“Shan Spices Ltd.” are the manufacturer of different food specific spices like Rajmaa Masala, Cholley Masala, Aaloo Parantha Masala etc. Mr. Raghav, the owner of the company has created different departments for purchase, production, marketing, finance and human resource. There are thirty employees working in the organisation. Planning is of paramount importance to the company as Mr. Raghav believes that effective planning leads to achievement of organisational objectives. So in order to make employees focus on objectives, he issued instructions that during working hours only official matters will be discussed. He made certain rules and code of conduct for the employees to follow, according to which employees are not allowed to visit and talk to the employees of other departments except for official work. He emphasised on work performance which resulted in smooth functioning of the organisation.

1. Identify and state the type of organisation mentioned in the above para.
2. State one feature of the concept identified in part (a) as mentioned in the above para.
3. What was the purpose behind the formulation of rules for the employees that restricted their personal communication with the employees of other departments?
4. State two values violated by Mr. Raghav. (CBSE, Sample Paper, 2017)

Answer:

1. Formal organisation is the type of organisation mentioned in the above paragraph. Formal organisation refers to the organisation structure which is deliberately created by the management to accomplish a particular task. It clearly defines the boundaries of authority and responsibility and facilitates systematic coordination among the various activities to achieve organisational goals.

2. One feature of formal organisation is that it clarifies who has to report to whom by specifying the relationships among various job positions and the nature of their interrelationship.
3. The purpose behind the formulation of rules for the employees that restricted their personal communication with the employees of other departments is to ensure discipline at workplace and avoid wastage of time. This is help to curb the emergence of informal organisation to a certain extend and increase work efficiency.
4. The two values violated by Mr. Raghav are :
 - Liberty to employees
 - Fulfilment of emotional needs

Question 8.

Steele Ltd. decided to set-up its steel manufacturing factory in the backward area of Orissa where very less job opportunities were available. People of that area welcomed this effort of Steele Ltd. To attract people to work in its factory, it also decided to provide many other facilities like a school, hospital, market, etc. in the factory premises.

Steele Ltd. started earning huge profits. Another competing company asked its production manager Aslam to investigate the reasons of earning huge profits by Steele Ltd.

Aslam found that in both the companies, there was systematic coordination among the various activities to achieve the organisational goals. Every employee knew who was responsible and accountable to whom. The only difference was that in his organisation, communication took place only through the scalar chain whereas Steele Ltd. was allowing the flow of communication in all the directions as per the requirement which led to faster spread of information as well as quick feedback.

1. Identify the type of organisation which permits Steele Ltd. the flow of communication in all the directions.
2. State another advantage of the type of organisation identified in part (1) above.
3. State any two values which Steele Ltd. wanted to communicate to society.

OR

Mr Car Ltd. decided to set-up its new car manufacturing factory in the backward area of West Bengal where very less job opportunities were available. People of that area welcomed this effort of Mr Car Ltd. The company also decided to provide facilities like a school, hospital, market, etc. in the factory premises so that the people are attracted to join the factory as workers.

Mr Car Ltd. started earning huge profits. Another competing company asked its production manager Arvind to investigate the reasons of earning huge profits by My Car Ltd.

Arvind found that in both the companies, there was systematic coordination among the various activities to achieve the organisational goals. Every employee knew who was responsible and accountable to whom. The only difference was that in his organisation, communication took place only through the scalar chain whereas My Car Ltd. was allowing the flow of communication in all the directions as per the requirement which led to faster spread of information as well as quick feedback.

1. Identify the type of organisation which permits the flow of communication in all the directions in My Car Ltd.
2. Also state an advantage of the type of organisation identified in part (1) above.
3. State any two values which My Car Ltd. wants to communicate to the society. **(CBSE, OD 2016)**

Answer:

1. An informal organisation permits the flow of communication in all the directions in My Car Ltd.
2. Another advantage of informal organisation is that it helps to fulfill the social needs of the members by giving them a sense of belongingness in the organisation and enhances their job satisfaction.
3. The two values that My Car Ltd. wants to communicate to the society are:
 - Trust

- Social Responsibility

Question 9.

Kiran Industries is a company dealing in office furniture. The company chose to diversify its operations to improve its growth potential and increase market share. As the project was important, many alternatives were generated for the purpose and were thoroughly discussed amongst the members of the organisation. After evaluating the various alternatives, Sukhvinder, the Managing Director of the company, decided that they should add 'Home Interiors and Furnishings' as a new line of business activity.

1. Name the framework, which the diversified organisation should adopt, to enable it to cope with the emerging complexity? Give one reason in support of your answer.
2. State any two limitations of this framework **(CBSE, Sample Paper, 2015-16)**

Answer:

1. Divisional structure should be adopted by the diversified organisation to enable it to cope with the emerging complexity.
Reason: It leads to faster decision making, promotes flexibility and initiative because each division functions as an autonomous unit.
2. The two limitations of divisional structure are as follows:
 - There may be conflicts among the different divisions heads as in pursuit of higher profits, each of them may seek maximum allocation of resources at the cost of other divisions.
 - The cost is high as each division is provided with separate set of similar functions.

Question 10.

Rajeev, the owner of Pathways Constructions, decided to start a campaign to create awareness among people for developing clean surroundings in their area. He formed a team of 10 members to list the different ways for cleaning the surroundings. One suggested to take the help of local residents, another suggested that they may involve school-going children in their venture. One more suggestion was to take the help of the unemployed youth. On evaluation of different ways, it was decided to take the help of local residents. To achieve the desired goal, various activities are identified like

- Purchase of necessary items like dustbins, garbage bags, brooms, etc.;
- Collection of garbage;
- Disposal of garbage, etc.

After identification of different activities, the work was allocated to different members.

1. Identify the concepts of management involved in the above situation and quote the lines which help in their identification.
2. Also identify the values which the company wants to communicate to society. **(CBSE, Sample Question Paper 2015)**

Answer:

1. The concepts of management involved in the above situation are outlined below:
 - **Planning:** " One suggested to take help of local residents, another suggested that they may involve school going children in their venture. One more suggestion was to take the help of the unemployed youth. On evaluation of different ways, it was decided to take help of the local residents."

- **Organising:** " To achieve the desired goal, various activities are identified like
 - Purchase of necessary items like dustbins, garbage bags, brooms etc.
 - Collection of garbage
 - Disposal of garbage, etc.

After identification of different activities, the work was allocated to different members."

2. The values which the company wants to communicate to society are:

- Cleanliness
- Responsibility