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CLASS: XII- BUSINESS STUDIES BUSINESS ENVIRONMENT

1. An electric company is facing a problem of declining market share due to increased competition from other new and existing players in the market. Its competitors are introducing lower price models for mass consumers who are price sensitive. For quality conscious consumers the company is introducing new model with added features and new technological advancements.

- a) Prepare a model plan for this company. Also specify the type of plan which is to be prepared.
- b) What are the steps involved in preparing this plan.
- c) Identify the limitations of such plans.
- d) How will you remove this limitations.

2. Identify the type or dimension of environment in the following cases:

- a) It includes factors like money supply, price level, monetary policy.
- b) Increased awareness towards health has increased the demand for organic food.
- c) A stable government builds up confidence among the firms to invest in big projects.
- d) With changes in demand of consumers business firms have to change their production schedule.
- e) Nature of relationship of our country with foreign countries influences the business.
- f) Statutory warnings are essential to be printed on tobacco products.
- g) Innovations in products and processes affect the production and marketing plans of the business.
- h) Life expectancy , birth and death rates influence the demand for the product.
- i) Rates of savings and investments influence the demand for the product.
- j) Consumption habits . people affects the pattern of demand in the economy.
- k) Laws has been enacted to keep a check on advertisements.
- l) “According to the weights and measures act every eatable product should explicitly bear a green dot for vegetarian contents and brown dot for non-vegetarian ingredients” Which key component of the business environment is discussed in the given case.
- m)Surya Enterprises used to import animal fat for manufacturing Vanaspati ghee. However due to public protests the company was forced to to stop using animal fat in making ghee.
- n) Amity Enterprise is an international company engaged in the manufacturing of New Year and Christmas greeting cards. When the company started its business in India it started producing Holi, Diwali and Id cards also.
- o) Artificial fiber cloth has almost killed the pure cotton textile industries in many countries.

3. Rapid Tours Ltd is a travel agency which books rail tickets on commission basis. It takes two days for the rapid Tours to get the tickets from the Railway Reservation counter and deliver the tickets to the consumers . In the last one year there has been drastic decrease in the business as most of the consumers have shifted to New Tours and Travels Ltd; another Travel agency which provides the tickets within half an hour through use of internet.

- a) Which component of business environment is being overlooked by Rapid tours ltd?
- b) Why is it necessary for the business enterprises to lay emphasis to this dimension of business environment?
- c) “ Change of booking rail tickets from Railway Reservation Counter to Internet” Identify the feature of business environment highlighted in the following statement.

4. Two big banner movies were scheduled to be released on the same date. However at the last moment release of one movie had to be postponed due to opposition by a group of people because of some unethical content in the movie. Due to the postponement of the movie the other movie earned huge revenues. Identify the feature of business environment involved in the above case.

PLANNING

5. "Planning is not a guarantee of success of a business". Explain the statement.

6. What kind of strategic decision is taken by business organization?

7. Do you think planning can work in dynamic environment? Explain.

8. Why are rules considered to be pains?

9. A saree manufacturing firm is facing tough competition from new entrants. In order to face the competitors the manager decided to add a new line of designer sarees to attract consumers of higher income group. He spent money on decoration of showroom and allocated 5 crores for new product line.

a) Identify and explain the type of plan listed in the question.

b) Explain the step of planning process discussed in the above case study.

c) Discuss the next two steps of the process.

10. Define policy.

11. Sahil Ltd has a plan of increasing sales by 20%. It has devoted a lot of time and huge money on this plan. Soon after the plans were implemented; the competition started increasing and it could not change its plan to beat its competitors as huge amount of money had already been allocated to the pre-decided plan. It resulted in heavy losses to the company.

Identify the three limitations of planning by quoting the lines from the above case.

12. Name the plan which deals with a task comprising one step of a procedure and specifies how this step is to be confirmed.

13. The vice-president of Ding-dong Enterprises decided long term organizational objectives. The Divisional managers formulated short term plans for implementing long term plans and policies formulated by top level. Supervisors formulated day to day plans, took the suggestions from workers and involved them in the planning process.

a) Identify the characteristics of planning referred in the above paragraph.

b) Identify the framework which is deliberately created to implement the plans of the organization.

c) State the value being followed by supervisors of the company.

14. Define planning premises.

15. PM Narendra Modi recently re-iterated his government commitment one rank one pension scheme but did not agree to all demands except to OROP. The OROP envisages a uniform pension for defense personnel who retire in the same rank with the same length of service, irrespective of the date of retirement. Which type of plan is it?

16. The Delhi government agreed to set up a special purpose to clean the river Yamuna using a microbe found by scientists. The scientists claim that the microbe can remove dye and other pollutants from the river. A meeting was called by the Chief Minister for the above purpose.

a) Which type of plan is referred to in the above case?

b) Is it single use or standing plan? Justify with reason.

c) What are planning premises? Give one example of premise in the above case.

17. Explain policy and procedure as type of plans.

18. There are some types of plans which are not classified as single use or standing plans. Name any one such type of plan with its examples.

19. A coaching institute teaching accounts to school level students recently decided to open its new line of institutes named Building business schools for catering to needs of teaching business studies and management to school and college students. The project was earmarked with an amount of Rs 50 lakhs, for establishing 10 such institutes at select areas.

The decision of opening Business school chains was in view of changed examination pattern ,especially board exam of CBSE. Which type of plan is being made in the above case? Explain.