

**CLASS: XII- BUSINESS STUDIES
PLANNING**

Q1. Can planning prevent problems?

Q2. Identify the plan which is used repeatedly in similar situations.

Q3. What are the main requirements of sound objectives?

Q4. A company needs a detailed plan for its new project- construction of a dam. What type of plan will you recommend?

Q5. The directors of XYZ Ltd are of the opinion that all decisions and plans are to be framed by them and therefore no planning is required at lower levels of management. Do you agree? Give reason.

Q6. Differentiate between policy and rule.

Q7. As per the manager of a comprehensive group, changes in business environment restrict freedom of planning for the management. In a fast changing environment management has a little control over external events

- a. Which limitation of planning has been highlighted in the above case?
- b. Explain any three more limitations of planning.

Q8. Narayan Ltd laid down "Only graduate and experienced candidates will be recruited" As from many past years the company is recruiting freshers due to which the performance has declined constantly.

- a. Identify and briefly explain the type of plan mentioned above.

Q9. Write short notes on

- a. Objectives
- b. Procedure
- c. Budget

Q10. An automobile company is facing the problem of declining market share due to excessive competition as a result of liberalisation and globalisation. To overcome this crisis the company has decided to launch new models/products with attractive features at competitive prices. For this purpose the top management framed a strategy. In your opinion will it guarantee success. Give three reasons.

Q11. "Planning is not a guarantee of success of a business". Explain the statement.

Q12. What kind of strategic decision is taken by business organization?

Q13. Do you think planning can work in a dynamic environment? Explain.

Q14. Why are rules considered to be plans?

Q15. A sari 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 saris 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.

Q16. Define policy.

Q17. 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.

Q18. Name the plan which deals with a task comprising one step of a procedure and specifies how this step is to be confirmed.

Q19. 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.

Q20. Define planning premises.

Q21. 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?

Q22. 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.

Q23. Explain policy and procedure as type of plans.

Q24. 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.

Q25. 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.

Q26. Which type of plan is referred in the following statements? Name and explain them.

- Ends, which the management seeks to achieve.
- The exact manner in which any work is performed.
- Prescription of what and what not to be done.
- The prescribed way in which a task is performed.

Q27. Two years ago Mayank obtained a degree in food technology. For some time he worked in a company manufacturing bread and biscuits. He was not happy in the company and decided to have his own bread and biscuits manufacturing unit. For this he decided the objective and the targets and formulated an action plan to achieve the same. One of his objectives was to earn 50% profit on the amount invested in the first year. It was decided that raw materials like flour, sugar, salt, etc will be purchased on two months credit. He also decided to follow the steps required for marketing the products through his outlets. He appointed Harsh as a production Manager who decided the exact manner in which the production activities are to be carried out. Harsh also prepared a statement showing the requirement of workers in the factory throughout the year. Mayank informed Harsh about his sales target for different products. Area wise for the forthcoming quarter. While working on the production table a penalty of Rs. 150 per day was announced for not wearing the helmets and gloves by the workers.

1. Quoting lines from the above Para Identify and explain the different types of plans discussed.

Q28. Suryodaya Ltd. appointed a team of five efficient managers to plan for its new project of building a residential colony. For this, they are paid a huge amount of remuneration also.

1. Explain giving reasons, incurring such huge expenditure on planning is justified for the company.

Q29. Rakesh joins as sales manager of a company dealing in ayurvedic products. Being proficient in his work. He knew that without good planning he will not be able to organize, direct, control or perform any of the other managerial functions efficiently and effectively. Only on the basis of sales forecasting he would assist in the preparation of the annual plans for its productions and sales. Besides, he will have to prepare sales plans regularly on weekly, monthly, quarterly and half yearly basis. While preparing the sales forecasts, he undertakes intellectual thinking involving foresight, visualization and sound judgement rather than wishful thinking or guess work. Most importantly, all these planning activities will be meaningful only if all these planning activities will be meaningful only if they will coincide with the purpose for which the business is being carried out.

1. In context of the above case identify the various features of planning highlighted in the above paragraph by quoting lines from it.

Q30. Sanjeev has been running a successful business of manufacturing traditional Indian wear for women including sarees and lehengas. His friend Rajeev who is engaged in the business of providing web designing solutions to his clients suggests him to explore the option of selling online. Sanjeev accepts his suggestion and decides to venture into online business. In order to facilitate the sale of the products Sanjeev decides to offer multiple payment options such as cash on delivery, credit or debit card payment, net banking etc to the customers .

- a) Identify one feature of planning indicated in the above case.
- b) Identify one point of importance of planning in the above case.

Q31. Manish joins a private limited company dealing in electronics as a human resource manager. Through a series of interactions with his team during the lunch breaks he comes to know that quite a few managers at middle and senior levels have recently left the organization as their promotions were overdue. Therefore in order to reinstate the confidence of the staff he lays out a clear cut plan consisting of a set of general

guidelines for time bound performance related appraisals of the managers at all levels. Moreover he develops standardized processes containing a series of steps in chronological order for its implementation.

Identify the two different types of plans that Mahesh proposes to implement in order to reinstate the confidence of the staff by quoting lines from the above para

ORGANIZING

Q1. How does organising lead to specialisation?

Q2. How would you say that organising establishes clarity in working relationships?

Q3. What is the outcome of organising process called?

Q4. What are the types of organisational structure?

Q5. What is meant by span of management?

Q6. Name the process of granting authority to subordinates to operate within prescribed limits.

Q7. Identify the type of organisational structure for a large scale organisation having diversified activities requiring high degree of specialisation in operations.

Q8. What would be the impact on working of an organisation if the responsibility is more than the authority?

Q9. In functional structure all functions are separated resulting employees have little understanding or concern outside their functional area. In the light of the above statement state the disadvantages of functional structure.

Q10. Arya is an overburdened manager of XYZ Ltd. He wants to take help from his subordinates. How? Explain the three important points which he should keep in mind while taking such help.

11. 'Steelo 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 'Steelo Ltd.' To attract people to work in its factory it also decided to provide many other facilities like school, hospital, market etc. in the factory premises.

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

Aslam found that in both the companies there was systematic co-ordination among the various activities to achieve 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 'Steelo Ltd.' was allowing flow of communication in all the directions as per the requirement which lead to faster spread of information as well as quick feedback.

(a) Identify the organisation which permits 'Steelo Ltd.' which allows flow of communication in all the directions.

(b) State another advantage of the organisation identified in (a) above.

(c) State any two values which 'Steele Ltd.' wanted to communicate to the society.

12. Ajanta Foods Ltd. is engaged in the trading of 'Noodles'. It has its registered office in Kolkata, manufacturing unit in Solan and marketing department at Delhi. Which type of organisational structure the company should adopt to achieve its target?

13. An Indian information technology company presently employing 10,000 people desires to expand its business in manufacturing, trading etc. It wants to become a global company. To achieve its objectives it has started shifting from a centralized to a decentralized management system. Identify the management function being performed by the company to become a decentralized company.

14. Interaction among people at work gives rise to a network of social relationships among employees. This relationship emerges when people interact beyond their officially defined roles. When people have frequent contacts they cannot be forced into a rigid formal structure. Rather based on their interaction and friendship they tend to form groups which show conformity in terms of interest. Name the forms of relationships mentioned in the above lines and state its any four characteristics.

15. Alliance Ltd. is engaged in manufacturing plastic buckets. The objective of the company is to manufacture 100 buckets a day. To achieve this, the efforts of all departments are coordinated and interlinked and authority-responsibility relationship is established among various job positions. There is clarity on who is to report to whom. Identify the function of management highlighted in above case.

16. 'Himalaya Ltd.', is, engaged in manufacturing of washing machines. The target of the organisation is to manufacture 500 washing machines in a day. There is an occupational specialisation in the organisation which promotes efficiency of employees. There is no duplication of efforts in such type of organisation structure. Identify the type of organisation structure described above.

17. Neeraj Gupta started a company 'Yoyo Ltd.' with ten employees, to assemble economical computers for the Indian rural market. The company did very well in its initial years. As the product was good and marketed well, the demand went up. To increase production the company decided to recruit additional employees. Neeraj Gupta, who was earlier taking all decisions for the company, had to selectively disperse the authority. He believed that people are competent, capable and resourceful and can assume responsibility for effective implementation of their decisions. This paid off and the company was not only able to increase its production but also expanded its product range with different features.

a) Identify the concept used by Neeraj Gupta through which he was able to steer his company to greater heights.

b) Also explain any three points of importance of this concept.

18. To make the annual function of the school successful the principal of the school divided all the activities into task each group dealing with specific task like rehearsals, decoration, stage management, refreshments etc. Each group was placed under the overall supervision of a senior teacher. Explain the process of one of the functions of management as enumerated in the above case.

19. A company has been registered under the Companies Act with an authorized share capital of Rs20, 000 crores. Its registered office is situated in Delhi and manufacturing unit in a backward district of Rajasthan.

Its marketing department is situated in Bhopal. The company is manufacturing Fast Moving Consumer Goods (FMCG).

- (i) Suggest with the help of a diagram a suitable organization structure for the company.
- (ii) State any three advantages of this organization structure.

20. It helps a manager to extend his area of operations as without it his activities would be restricted to only what he himself can do. Identify the activity referred to in the above statement and explain its elements.

21. Alliance Ltd is engaged in manufacturing plastic buckets. The objective of the company is to manufacture 100 buckets a day. To achieve this, the efforts of all departments are co-ordinate, and interlinked and authority responsibility relationship is established among various job positions. There is clarity on who is to report to whom.

- (i) Name the function of management discussed above
- (ii) List the steps in the process of the function identified above.
- (iii) How is "clarity on who is to report to whom" useful in carrying out the above function?

22. A manager, no matter how capable he is, cannot manage to do every task on his own. The volume of work makes it impractical for him to handle it all by himself. As a consequence, Mr. Rahul, production manager of Zee Ltd downwardly transfers some of his authorities viz. determining long term objectives, adapting suitable course of action and allocating resources etc. to Mr. Hemant, one of his subordinates.

1. Name the process under which Mr. Rahul transfers some of his authority to Mr. Hemant.
2. Name the elements of the process identified above.

23. Radhika is the General Manager of Delta Ltd. Radhika is facing a lot of problems regarding some policy on sales. The organization has an aim to increase sales by 20% and return on investment by 10%. Instead of talking to the sales department, she directly consulted her friend Ayesha in finance department, about the problems. She talked to her freely about her other problems.

- (i) Identify the type of organization followed by Ayesha Ltd.
- (ii) Give two advantages & one limitation of the organization identified above.

24. The directors of B Ltd. an organization manufacturing toys have asked their production manager to achieve a target production of 100 computers per day. The production manager has asked his foreman to achieve this target but he did not give him the authority for the requisition of tools & materials from the stores department. The foreman could not achieve the desired target. Can the directors blame the production manager, and can the production manager blame his foreman for not achieving target? Give reason in support of your answer.

25. Nowadays there is a trend in the companies to address all the employees with their first name, even the superiors. Which type of organization is encouraged by such actions and give its three features.

26. In 2006 Azim Premji decided to reorganize the Wipro Company. Wipro leadership was brought closer to the customers by removing the entire layer of management and empowered the business managers. They further empowered those who reported to them.

1. Name and explain the concept which led to empowerment.
2. Explain its importance.

Q27. "If we delegate authority we multiply it by two; if we decentralise it we multiply it by many". How?

Q28. "a manager is of the view that he is not responsible for the quality of work he has delegated responsibility to his subordinate" . Do you agree with his viewpoint? Justify your answer by giving proper arguments.

Q29. Decentralization is extending delegation to the lowest level. Comment.

Q30. The CEO of XYZ Ltd assigned some task to the General Manager and the General Manager assigned the work to his subordinate and gave him the authority. BY doing so he thought that his accountability has ended. But the fact is success or failure of the work of his subordinates will make the general manager accountable to the Ceo.

1. Explain in brief the relevant principle which is related to the above para.
2. Identify the missing values in the above para.

Q31. Give the meaning of responsibility as an element of delegation.

Q32. Differentiate between Centralisation and Decentralisation.

Q33. Differentiate between Delegation and Decentralisation.

Q34. Can a large sized organisation be totally centralised or decentralised? Give reason.

Q35. You are working in HR department. Day by day you are facing problems due to the existence of Informal groups. What steps would you take to manage such Informal groups?