



ஸ்ரீ-ல-ஸ்ரீ காசிவாசி சுவாமிநாத சுவாமிகள் கலைக் கல்லூரி  
தருப்பனந்தாள் - 612504

**S.K.S.S ARTS COLLEGE, THIRUPPANANDAL - 612504**



## QUESTION BANK

*Title of the Paper*

## BUSINESS MANAGEMENT

Course: I B.Com., & I B.Com., (CA)

Sub. Code: 16CACCM1A & 16CCCA3

Semester: I & II

*Prepared by*



**Dr.B.SIVAKUMAR, M.Com., M.B.A., M.Phil., Ph.D.,**

**Assistant Professor**

**Department of Commerce**

**ALLIED COURSE – I**  
**BUSINESS MANAGEMENT**

***UNIT – I***

Management – Definition, nature, scope, functions and Levels of Management-Art, Science and Profession - functions of Managers- Development of management thought – Contribution by F.W.Taylor, Henry Fayol and others.

***UNIT – II***

Planning – Classification – Objectives – characteristics - Steps – process – types - Methods - advantages - limitations, Decision making – Policies.

***UNIT – III***

Organisation and Structure– Types – Supervision and Span of Control - Departmentation – Organisation charts – Authority and Responsibility- Delegation and Decentralisation.

***UNIT – IV***

Motivation - types -Theories – Maslow, Herzberg, McGregor, and others. Communication - Principles - types and barriers of communication.

***UNIT – V***

Leadership –functions - styles - theories. Co-ordination – features – types and techniques. Control- process- effective control system - Techniques of control.

## UNIT- I

### CHOOSE THE CORRECT ANSWER

1. Which of the following principles of management explain that each group of activities with the some objectives must have one head and one plan?
  - A) Scalar chain
  - B) Unity of control
  - C) Unity direction
  - D) Authority and Responsibility
2. Which principles of management emphasizes replacement of rule of thump method?
  - A) Decision theory
  - B) Administrative theory
  - C) Scientific management theory
  - D) Contingency theory
3. Management By Objective (MBO) is not only a technique of management but is Philosophy of management. who said it?
  - A) F.W Taylor
  - B) Chestor Bernard
  - C) Peter Drucker
  - D) Hentry Fayol
4. Management is an art and \_\_\_\_\_
  - A) Science
  - B) Economics
  - C) Accountancy
  - D) None of these
5. The concept of management by objectives (M.B.O) was developed as a philosophy by
  - A) Drucker
  - B) McGregor
  - C) Simon
  - D) Mayo
6. The principles of exception was propounded by
  - A) Urwick
  - B) Graicunas
  - C) Taylor
  - D) Terry
7. “ Espirit De Corps’ Principles was initiated by
  - A) Earnest Dale
  - B) R.C. Davis
  - C) Hentry Fayol
  - D) Peter Dracker
8. The father of scientific management was
  - A) F.E.L. Brach
  - B) Michal J. Jucious
  - C) F. W. Taylor
  - D) Peter Drucker

9. Which is not the management function?  
A) Co-operation  
B) Planning  
C) Organising  
D) Control
10. Which is the basic function of management respect of future management action spring?  
A) Organising  
B) Directing  
C) Planning  
D) Controlling

**Answers:** 1.(A) 2.(C) 3.(C) 4.(A) 5.(A) 6.(C) 7.(C) 8.(C) 9.(A) 10.(C)

**SHORT QUESTIONS (2 MARKS)**

11. Define Management?
12. What is Administration?
13. Is management a science or an art?
14. What are the three level of management?
15. What are the functions of management?
16. What do you mean by division of labour?
17. What is scalar chain?
18. Who is Gang Boss?
19. What is MBO?
20. What is the object of Time study?

**PARAGRAPH QUESTIONS (5 MARKS)**

21. Distinguish management from administration.
22. How can management be recognised as a profession?
23. How is an entrepreneur different from a manager?
24. Explain the role played by a manager in a business organization.
25. What are the functions the top management?
26. Explain functional foremanship.
27. Write briefly on the elements of scientific management.
28. How was Fayol classified the activities of industrial concerns?
29. Explain the concepts of MBO together with its merits and demerits.
30. State scope of management.

**ESSAY TYPE QUESTIONS (10 MARKS)**

31. Explain the basic characteristics of management?
32. Describe the basic importance of management in business?
33. Explain the various functions of management.
34. What are the functional areas of management? Write briefly about each one.
35. Explain the various aspects of F.W. Taylor's scientific management?
36. Discuss 14 general principles of management given by Henry Fayol.
37. Explain the development of various management thoughts.
38. Trace the history of management science.
39. Discuss the merits and limitations of scientific management.
40. Explain the various approaches of management thought.

## UNIT- II

### CHOOSE THE CORRECT ANSWER

1. Planning is relating to
  - A) Forecasting
  - B) Budgeting
  - C) Policy information
  - D) All of the above
2. Operational planning is
  - A) Done by top level management
  - B) Done for long period
  - C) Done by lower level management
  - D) Concerned with budgeting
3. Planning includes
  - A) Objectives
  - B) Policy
  - C) Strategy
  - D) All of these
4. Deciding in advance what is to be done in future is called
  - A) Management
  - B) Co-ordination
  - C) Planning
  - D) Decision making
5. Decision in a business enterprise
  - A) Improve organizational effectiveness
  - B) Reduce the work load of employees
  - C) Enhances workers participation in management
  - D) None of the above
6. Planning function of management is performed by
  - A) Top management
  - B) Middle management
  - C) Lower management
  - D) All of these
7. Which component is not of planning?
  - A) Policies
  - B) Procedures
  - C) Programme
  - D) Results
8. The term strategy is mainly related to
  - A) Planning
  - B) Motivate employees
  - C) Decentralisation
  - D) Co- ordination

9. Planning of the organization with suitable personnel is known as
- A) Organising function
  - B) Directing function
  - C) Co-ordinating function
  - D) Satisfying function
10. The essential of business planning is to
- A) Access the market opportunities to be exploited
  - B) Appraise the threats and risk
  - C) Anticipate losses and profit
  - D) None of these

**Answers:** 1.(D) 2.(C) 3.(D) 4.(C) 5.(A) 6.(D) 7.(C) 8.(A) 9.(C) 10.(A)

**SHORT QUESTIONS ( 2 MARKS)**

- 11. Define planning.
- 12. What is forecasting?
- 13. What are planning premises ?
- 14. Define objectives.
- 15. What is policy?
- 16. What do you mean by strategy?
- 17. Define decision making.
- 18. What are strategy decisions?
- 19. Write a note on programmed decisions.
- 20. Differentiate between risk and uncertainty.

**PARAGRAPH QUESTIONS ( 5 MARKS)**

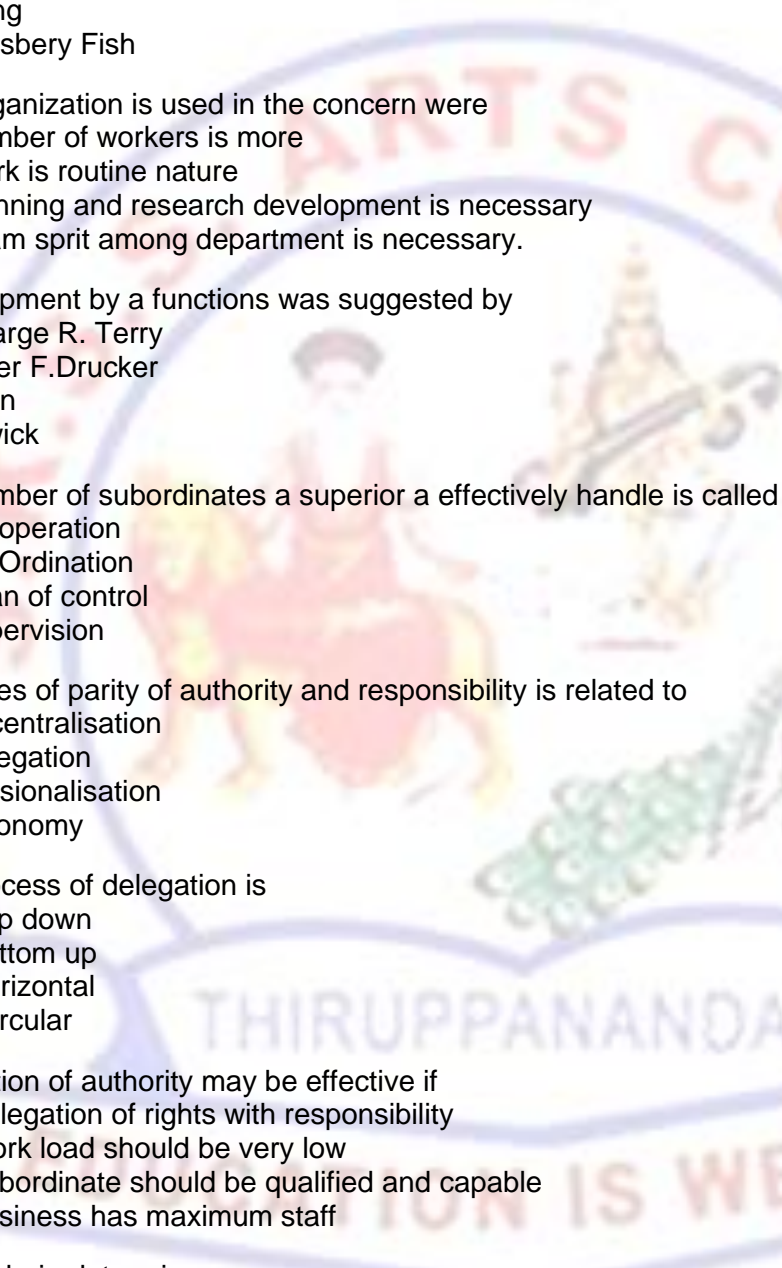
- 21. What are the advantages of planning?
- 22. Bring out the limitations of planning.
- 23. Explain the steps to make planning effective.
- 24. Explain briefly the various kinds of policies.
- 25. Write on the various types of strategies.
- 26. Mention the characteristics of decision making.
- 27. State the importance of decision making.
- 28. What are the merits of group decisions?
- 29. State any three methods of decision making.
- 30. What are the types of planning premises?

**ESSAY TYPE QUESTIONS ( 10 MARKS)**

- 31. Explain the characteristics of planning with suitable illustrations.
- 32. Discuss the various steps involved in the process of planning.
- 33. Explain the various stages involved in the process of decision making.
- 34. What are the problems normally faced in decision making? Suggest remedies.
- 35. Explain the different types of managerial decisions.
- 36. Explain the importance of planning . What are its limitations?
- 37. Planning is the essence of managerial- Elucidate.
- 38. Discuss the ways and means of establishing an environment for effective planning.
- 39. Planning is not an activity but a rational process- Explain.
- 40. Distinguish between policy and procedures.

### UNIT- III

#### CHOOSE THE CORRECT ANSWER

1. Organisation is foundation of management ,who said it?
    - A) Hentry Fayol
    - B) H.R Hancy
    - C) Kiling
    - D) Lansbery Fish
  2. Line organization is used in the concern were
    - A) Number of workers is more
    - B) Work is routine nature
    - C) Planning and research development is necessary
    - D) Team sprit among department is necessary.
  3. Development by a functions was suggested by
    - A) Gearge R. Terry
    - B) Peter F.Drucker
    - C) Allen
    - D) Urwick
  4. The number of subordinates a superior a effectively handle is called
    - A) Co-operation
    - B) Co-Ordination
    - C) Span of control
    - D) Supervision
  5. Principles of parity of authority and responsibility is related to
    - A) Decentralisation
    - B) Delegation
    - C) Divisionalisation
    - D) Autonomy
  6. The process of delegation is
    - A) Top down
    - B) Bottom up
    - C) Horizontal
    - D) Clircular
  7. Delegation of authority may be effective if
    - A) Delegation of rights with responsibility
    - B) Work load should be very low
    - C) Subordinate should be qualified and capable
    - D) Business has maximum staff
  8. Scalar chain determines
    - A) The nature of management functions
    - B) The contact patern among the authorities for communication
    - C) The basis of work division
    - D) The number of managerial levels.
- 

9. Which is the old form of organization under the following.
- A) Line and expert organization
  - B) Functional organization
  - C) Committee organization
  - D) Line organization.
10. The organization Chart Shows
- A) The division of work only
  - B) The division of department only
  - C) The relationship between the superior and subordinates.
  - D) All of the above.

**Answers:** 1.(D) 2.(A) 3.(A) 4.(C) 5.(B) 6.(A) 7.(C) 8.(C) 9.(D) 10.( B)

**SHORT QUESTIONS ( 2MARKS)**

- 11. Define organization.
- 12. What is division of labour?
- 13. Write a note on informal organization.
- 14. What is meant by organization structure?
- 15. What is an ad hoc committee?
- 16. What is "authority" ?
- 17. What is responsibility?
- 18. Define delegation.
- 19. What do you mean by decentralization?
- 20. Define departmentation.

**PARAGRAPH QUESTIONS (5 MARKS)**

- 21. Distinguish formal organization and informal organization.
- 22. Explain briefly the process of organization.
- 23. Draw an organization chart and explain its merits and demerits.
- 24. Explain the classical theory of organization.
- 25. Explain the merits and demerits of line and staff organization.
- 26. Distinguish authority from power.
- 27. State the process of delegation of authority.
- 28. Discuss the different types of delegation.
- 29. Discuss the concept of functional departmentation.
- 30. Explain the various factors that determine the basis of departmentation.

**ESSAY TYPE QUESTIONS (10 MARKS)**

- 31. Explain the principles of organization.
- 32. What is functional organization? What are its advantages and limitations?
- 33. Define committee. Explain its drawback and support measures to make committees more effective.
- 34. Explain the barriers to delegation of authority. suggest remedies.
- 35. Explain the advantages and disadvantages of decentralization.
- 36. Explain the various departmentation together with their relative merits and demerits.
- 37. Distinguish project organization from matrix organization.
- 38. Explain the advantages of delegation of authorities
- 39. Explain the theories on the sources of authority.
- 40. What are the assumptions in determining the span of management?



## UNIT- IV

### CHOOSE THE CORRECT ANSWER

1. An enterprise gets more output and mutual co- operation from it subordinate staff by adopting
  - A) Motivation by leadership
  - B) Motivation by participation
  - C) Motivation by goals
  - D) Motivation by challenge
2. Who developed the Necessary principles?
  - A) A.H. Maslow
  - B) Peter F.Drucker
  - C) Dugluse Mcgregor
  - D) Fredrick Harbeg
3. Job rotation means
  - A) Rearrangement of job contact
  - B) Rotation of job between various section
  - C) Changing people in the job
  - D) None of these
4. Grapevine communication is a type of
  - A) Formal communication
  - B) Informal communication
  - C) Written communication
  - D) Vertical communication
5. According to Herber's motivation Hygine Theory the Hygine factors are responsibility for
  - A) Increase in satisfaction
  - B) Decrease insatisfaction
  - C) Increase in wages
  - D) Increase in productivity
6. The process of evaluation in the employees on the job is known as
  - A) Job analysis
  - B) Job rotation
  - C) Induction
  - D) Merit rating
7. According to need hierarchy theory of Maslow levels of hierarchy
  - A) 5
  - B) 4
  - C) 3
  - D) 2
8. Which one of the following is not type of the communication?
  - A) Formal communication
  - B) Written communication
  - C) Upward communication
  - D) Back-out communication

9. Which one of the following is not a barrier in communication?  
A) Fear and distrust  
B) Affection  
C) Perception  
D) Noise
10. Communication between the managers and the employees is known as  
A) Inter scalar  
B) Extra organizational  
C) Intra scalar  
D) Crose wise

**Answers:** 1.(B) 2.(A) 3.(C) 4.(B) 5.(B) 6.(D) 7.(A) 8.(D) 9.(C) 10.(C)

**SHORT QUESTIONS (2 MARKS)**

11. Define motivation.  
12. What are non- financial incentives?  
13. Write a note on esteem needs.  
14. What are hygiene factors?  
15. What do you understand by valence?  
16. Define communication.  
17. What is meant by distortion?  
18. What is grapevine?  
19. Write a note on filtering in communication.  
20. What is meant by sideward communication?

**PARAGRAPH QUESTIONS (5 MARKS)**

21. Explain the characteristics of motivation .  
22.State the non-financial incentives and their importance.  
23. Discuss Herzberg's theory of motivation.  
24. Briefly out the key points in William ouchi's z theory  
25. Bring out the salient features of communication .  
26. Discuss the merits and demerits of informal communication.  
27. Explain the downward and upward communication by means of a diagram.  
28.State the importance of communication.  
29. How will you make communication effective.  
30. Distinguish between motivation and morale.

**ESSAY TYPE QUESTIONS (10 MARKS)**

31. Describe the Maslow's theory of motivation. What are its defects?  
32. Explain Herzberg's theory of motivation and compare with the theory of Maslow.  
33. Describe the different traditional theory of motivation.  
34. Compare theory x and theory Y of McGregor.  
35. What methods do you like to adopt to motivate to employees?  
36. Explain the barriers to effective communication and suggest measures for improvement.  
37. Explain the essential elements of effective communication.  
38. Enumerate the different methods of communication.  
39. Explain the principles of communication  
40. Communication is merely a sum of saying and listening process in this definition complete-Discuss.

## UNIT- V

### CHOOSE THE CORRECT ANSWER

1. Which of the following is not technique of control?
  - A) Budget
  - B) Disciplinary action
  - C) Policy
  - D) Praise
2. The element which is not the part of direction is
  - A) Supervision
  - B) Motivation
  - C) Leadership
  - D) Division of work
3. Horizontal co-ordination is related to
  - A) Co- operation
  - B) Interested parties
  - C) Different level of management
  - D) Equal level of management
4. Control denotes
  - A) Measurement of performance in accordance with objectives
  - B) Disciplinary action against employees
  - C) Containment in undesirable activities
  - D) Containment of expenses
5. A supervision has own status in organization
  - A) Top management
  - B) Middle management
  - C) Front management
  - D) Labour management
6. The principles of unity of command implies
  - A) Unity of thought and action
  - B) Unity among subordinates
  - C) Instruction from staff authority
  - D) Instruction from line authority
7. The purpose of co-ordination is
  - A) Avoid delays
  - B) Remove conflicts
  - C) All (A) and (B)
  - D) Develop co-operation
8. Which of the following is the controlling function of management
  - A) Budgetary control
  - B) Cost control
  - C) Financial control
  - D) All of these

9. The controlling function does not include the function of
  - A) Assigning duties to the staff
  - B) Setting standard of performance
  - C) Measuring performance from time to time
  - D) Taking action to bring the performance to right tracks
10. The vertical co-ordination is not needed to
  - A) Co-ordination
  - B) Delegated authority
  - C) Proper supervision
  - D) Controlling

**Answers:** 1.(D) 2.(D) 3.(A) 4.(D) 5.(C) 6.(C) 7.(C) 8.(D) 9.(A) 10.(D)

**SHORT QUESTIONS (2 MARKS)**

11. Define Leadership.
12. What is laissez- faire leadership?
13. Who is a functional leader?
14. Define control.
15. Differentiate control from planning.
16. Mention the stages in control.
17. What is management by exception?
18. Write a note on budgetary control.
19. What is meant by BEP analysis?
20. Define co-ordination.

**PARAGRAPH QUESTIONS (5 MARKS)**

21. Explain the characteristics of leadership.
22. State the Importance of leadership.
23. Bring out the salient features of Autocratic leadership style.
24. Explain the "Traits theory" of leadership.
25. State the characteristics of co-ordination.
26. Explain the importance of co-ordination function.
27. What are the problems faced in securing effective co-ordination.
28. State the characteristics of control.
29. How is control important in management?
30. Explain the concept of management by exception.

**ESSAY TYPE QUESTIONS (10 MARKS)**

31. Discuss the qualities of leader.
32. Explain the functions of performed by a leader.
33. Discuss the different kinds of leadership style with their relative merits and demerits.
34. Explain the various methods of securing effective co-ordination.
35. Discuss the various stages in the control process.
36. Explain the budgetary control. and discuss its merits and demerits.
37. "Co-ordination is the essence of management" – Discuss.
38. Explain the relationship and distinction between co-ordination and control.
39. Explain the programme evaluation and review technique as a tool of controlling.
40. Explain the theory of leadership.