# NCERT SOLUTIONS

## CLASS - 12th



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Class : 12th

Subject : Business Studies

Chapter : 2

Chapter Name : Organizing

Q1 Principles of management are NOT

(a) Universal

(b) Flexible

(c) Absolute

(d) Behavioural

Answer. (c) Absolute

Page : 67 , Block Name : Multiple Choice Answer Questions

Q2 How are principles of management formed?

(a) In a laboratory

(b) By experiences of managers

(c) By experiences of customers

(d) By propagation of social scientists

Answer. (b) By experiences of managers

Page : 67 , Block Name : Multiple Choice Answer Questions

Q3 The principles of management are significant because of

(a) Increase in efficiency

(b) Initiative

(c) Optimum utilisation of resources

(d) Adaptation to changing technology

Answer. (c) Optimum utilisation of resources

Page : 67 , Block Name : Multiple Choice Answer Questions

Q4 Henri Fayol was a

(a) Social Scientist

(b) Mining Engineer

(c) Accountant

(d) Production engineer

Answer. (b) Mining Engineer

Page : 67 , Block Name : Multiple Choice Answer Questions

Q5 Which of the following statement best describes the principle of 'Division of Work'

(a) Work should be divided into small tasks

(b) Labour should be divided

(c) Resources should be divided among jobs

(d) It leads to specialisation

Answer. (a) Work should be divided into small tasks

Page : 67 , Block Name : Multiple Choice Answer Questions

Q6 ‘She/he keeps machines, materials, tools etc., ready for operations by concerned workers’. Whose work is described by this sentence under functional foremanship

(a) Instruction Card Clerk

(b) Repair Boss

(c) Gang Boss

(d) Route Clerk

Answer. (c) Gang Boss

Page : 67 , Block Name : Multiple Choice Answer Questions

Q7 Which of the following is NOT a Principle of management given by Taylor ?

(a) Science, not rule of the Thumb

(b) Functional foremanship

(c) Maximum not restricted output

(d) Harmony not discord

Answer. (b) Functional foremanship

Page : 67 , Block Name : Multiple Choice Answer Questions

Q8 Management should find ‘One best way’ to perform a task. Which technique of Scientific management is defined in this sentence?

(a) Time Study

(b) Motion Study

(c) Fatigue Study

(d) Method Study

Answer. (d) Method Study

Page : 68 , Block Name : Multiple Choice Answer Questions

Q9 Which of the following statements best describes ‘Mental Revolution’?

(a) It implies change of attitude.

(b) The management and workers should not play the game of one upmanship.

(c) Both management and workers require each other.

(d) Workers should be paid more wages.

Answer. (a) It implies change of attitude.

Page : 68 , Block Name : Multiple Choice Answer Questions

Q10 Which of the following statements is FALSE about Taylor and Fayol?

(a) Fayol was a mining engineer whereas Taylor was a mechanical engineer

(b) Fayol’s principles are applicable in specialised situations whereas Taylor’s principles have universal application

(c) Fayol's principles were formed through personal experience whereas Taylor's principles were formed through experimentation

(d) Fayol's principles are applicable at the top level of management whereas Taylor's principles are applicable at the shop floor.

Answer. (b) Fayol's principles are applicable in specialised situations whereas Taylor's principles have universal application

Page : 68 , Block Name : Multiple Choice Answer Questions

Q1 How is the Principle of 'Unity of Command' useful to management? Explain briefly.

Answer. As per the principle of 'Unity of Command', an subordinate should receive orders from one boss at a time. If he will receive orders from two or more than two superiors at a time then it will lead to confusion and misunderstanding. According to this principle, there should be one and only one boss for every individual employee. It is very useful for management as it prevent confusion regarding tasks to be done. For example if a salesperson is asked to provide 10% discount to its customers by the marketing department but the finance department orders him to provide only 5% discount then he will be confused as to whose orders he should follow. Thus it will reduce his efficiency.

Page : 68 , Block Name : Short Type Answer Questions

Q2 Define scientific management. State any three of its principles.

Answer. Scientific management is the process of finding the one best way of doing a task in terms of time, money and resources. It finds out the exact manner of doing a task in a cost efficient and time saving manner.

Three principles of scientific management are:

→ Science not Rule of Thumb

→ Harmony, Not Discord

→ Cooperation, Not Individualism

Page : 68 , Block Name : Short Type Answer Questions

Q3 If an organisation does not provide the right place for physical and human resources in an organisation, which principle is violated? What are the consequences of it?

Answer. The principle of order is violated in the given case. As per the Principle of Order, there should be a place for everything and everything in its place. It means that a place must be determined for keeping all the resources and equipments and they must be kept in their place so that it saves time of the workers.

Page : 68 , Block Name : Short Type Answer Questions

Q4 Explain any four points regarding significance of Principles of Management.

Answer. The principles of management are very significant for effectively and efficiently running an organisation. Its significance can be summarised in the following points -

→ Providing managers with useful insights into reality -

The principles of management provides guidance to the managers as to what they can do in a particular situation. These principles help them in understanding the real managerial circumstances better.

→ Optimum utilization of resources and effective administration - The principles of management help in developing a suitable work policy for the organisation which determines the best way of doing tasks. Thus it helps in optimum utilization of resources.

→ Scientific decisions - These principles prevent biased decisions by providing scientific methods of decision making. Thus it leads to scientific decision making by managers.

→ Management training, education and research - The principles of management are taught at school and college level and thus form part of the management training and education.

Page : 68 , Block Name : Short Type Answer Questions

Q5 Explain the principle of ‘Scalar Chain’ and gang plank.

Answer. The principle of 'Scalar Chain' and 'Gang Plank' are explained below -

→ Scalar Chain - As per this principle, there are specific chains of communication between the superiors and subordinates. These formal lines of authority from highest to the lowest level is termed as Scalar Chain. In an organisation, the authority and responsibility passes through Scalar Chain and thus it is very important to have a well established scalar chain.

→ Gang plank - Gang plank is the shortest and the direct way of communication which don’t follow the route determined by the Scalar chain. It is used in case of an emergency and the communication to be done is urgent.

Page : 68 , Block Name : Short Type Answer Questions

Q1 Explain the Principles of Scientific management given by Taylor.

Answer. The principles of scientific management as given by Taylor are as follows -

→ Science, not rule of Thumb - As per this principle, there should be a scientific method of analysing the job and its components. This method should replace the thumb of rule method or hit and trial method of doing a job. New techniques of doing a job should be experimented scientifically to find the best way of doing tasks.

→ Harmony, Not discord - This principle means that the tasks should be completed with complete harmony. The management and subordinates should go through a complete mental revolution. They should under the objectives of each other and work towards achieving overall objectives of organization.

→ Cooperation not individualism - It is the extention of the principle of 'Harmony not discord'. The management should work in cooperation with the workers and take decisions by taking their suggestions. On the other hand, workers should also cooperate with the management.

→ Development of each and every person to his or her greatest Efficiency and Prosperity - As per this principle, the personal and professional competencies of each and every worker should be focused upon and they should be developed. It will help in using the complete potential of the workers and optimum utilization of resources.

Page : 68 , Block Name : Long Type Answer Questions

Q2 Explain the following Principles of management given by Fayol with examples:

(a) Unity of direction

(b) Equity

(c) Espirit de corps

(d) Order

(e) Centralisation and decentralisation

(f) Initiative

Answer.

→Unity of direction: According to the Principle of 'Unity of direction', all the units of an organization must strive towards achieving the same set of goals. Each set of activities should have one head and one plan. This can be achieved by coordinating the efforts of all the units towards the organisational objectives. This ensures unity of action and coordination. For example if a company is engaged in the manufacturing of two different products then it should have a separate department for each activity.

→Equity: The principle of 'Equity' is based on the social justice and equality. It aims at kindliness and fair behaviour of management towards the workers. It will ensure the full dedication and commitment of workers. The workers will be more loyal towards the organisation. Every employee should be treated equally by the management. There should be no discrimination against anyone on account of caste, creed, region, religion, sex, age etc.

→Espirit de corps: According to the Principle of 'Espirit de corps', management should promote a team spirit of unity and harmony among employees. It should aim at promoting team work and cooperation among employees. He should emphasise on developing team spirit which will give rise to a spirit of mutual trust and belongingness among team members.

→Order: According  the principle of 'Order', there should be a place for everything and everything in its place. It means that a place must be determined for keeping all the resources and equipments and they must be kept in their place so that it saves time of the workers. This will lead to increased productivity and efficiency.

→Centralisation and decentralisation: Centralisation refers the concentration of decision-making authority whereas if the authority is dispersed to the lower levels of management then it is

known as decentralisation. According to this principle, there should be a balance between centralisation and decentralisation in an organisation. The subordinates should be involved be involved in decision making but the final authority should lie in the hands of top management.

→Initiative: According to the principle of 'Initiative', workers must be given adequate opportunity to take initiative and carry out their innovative plans. They should be encouraged to come forward and communicate with the management regarding their plans and ideas. A good company should have an employee suggestion system whereby suggestions which will will help in reducing time or cost should be rewarded.

Page : 68 , Block Name : Long Type Answer Questions

Q3 Explain the technique of ‘Functional Foremanship’ and the concept of ‘Mental Revolution’ as enunciated by Taylor.

Answer. In the factory system, foreman is the managerial position which served as a direct link between the workers and the middle level management. He is in direct contact with the workers on a daily basis. He is the lowest level manager operating at the bottom of the hierarchical structure. He is also the highest ranking worker who has mastered the production and planning process at factory level. Taylor suggested the qualities that a foreman must possess in order to effectively perform his job. In his technique, he suggested 8 different foreman under whom a worker must be placed based on the qualities a foreman should have. This technique was given the Name Functional Foremanship.

The functional Foremanship and at separating the functions of planning and execution of these plans. Under this technique, two separate heads Namely planning incharge and production incharge are appointed under which four persons operate. The following are the four persons who work under the planning incharge -

→ Instruction Card Clerk- Gives instructions to the workers.

→ Time and Cost Clerk- Study and analyse the time and costs.

→Disciplinarian-  Ensures that discipline is being maintained.

Route clerk - Specifies the route of production.

The following are the four persons that worked under the production incharge.

→Speed Boss- Ensures speedy completion of tasks.

→Gang Boss- Keeps the machines and tools ready for the workers.

→Repair Boss - Ensures proper working of the machines.

→ Inspector- Control the quality of work done.

Mental revolution involves a change in the attitude of workers and management towards one another from competition to cooperation. They should understand that they can achieve their objectives by mutual cooperation. They should work towards achieving organisational goals effectively. The management should give due emphasis to the needs of workers while the workers should also work putting their sincerest efforts. This attitude will be beneficial for the management as well as the employees and also for the company.

Page : 68 , Block Name : Long Type Answer Questions

Q4 Discuss the following techniques of Scientific Work Study:

(a) Time Study

(b) Motion Study

(c) Fatigue Study

(d) Method Study

(e) Simplification and standardisation of work

Answer.

→Time Study: Time study is the study of time taken to perform different parts of an activity and thus calculating the standard time for the performance of the task. It is calculated by taking several readings under certain conditions. The method of time study will depend upon volume and frequency of the task, the cycle time of the operation etc. Its main objective is to determine the number of workers to be employed and frame policies for providing incentives to them.

→Motion Study: Motion study is the study of movements like lifting, putting objects, sitting and changing positions etc., which are undertaken while doing a typical job. It aims at eliminating unnecessary movements which will result into wastage of time and efforts. Thus it aims at reducing the time taken to perform a task.

→Fatigue Study: Fatigue study is the study of amount and frequency of rest intervals to be given in completing a task. A worker cannot work continuously without having rest as it will lead to physical and mental fatigue. Thus rest intervals are given to him to regain stamina and work again with complete dedication. This will result in increased productivity.

→Method Study: Method study is the study of finding one best way of doing a job. According to Taylor, this one best way can be found by scientific study and experimentation. It begins with the procurement of raw materials and continue till the final product is delivered. Its main objective is to minimise the cost of production and maximise the quality and satisfaction of the customer.

→Simplification and standardisation of work: Standardisation refers to the process of setting standards for completing tasks in an organisation. It emphasises on setting standards for each and every business activity like raw materials, process, time, machinery, products, working conditions etc. These standards are the benchmarks, which must be adhered to during production. Simplification aims at eliminating unnecessary diversity of products.

Page : 68 , Block Name : Long Type Answer Questions

Q6 Discuss the relevance of Taylor and Fayol's contribution in the contemporary business environment.

Answer. The principles of Taylor and Fayol play a major role in contemporary business environment. The principles for scientific management as provided by Taylor and the administrative principles given by Fayol both are important in their own way for the knowledge of management. They serve as a basis for practice and decision making by the managers. Their contributions are complementary to each other. Although these principles cannot provide exact and ready-made solutions to all the managerial problems in the complex and fast changing environment, but they serve as important guidelines in real business situations. Managers can use them in different situations to solve the recurring problems.

If a manager takes decisions on the basis of these principles then it will be more logical and factual. Thus it tries to eliminate biased and non-factual decision making by the managers. As they are developed over time by a continuous process of observations and experimentation therefore they provide useful insight into the real business situations. The principles have universal applicability. They provide for equality and justice for all the people working in an organisation and are also helpful in maintaining coordination among the employees and the managers. They provide for rational decision making thereby providing for optimum utilisation of resources and increasing the efficiency in the organisation.

Page : 68 , Block Name : Long Type Answer Questions