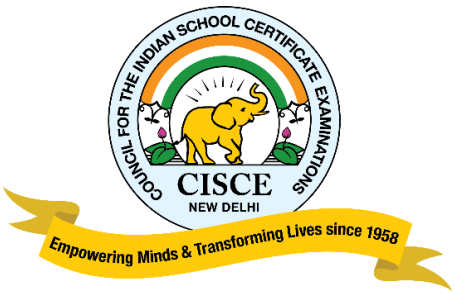
ISC

YEAR 2027

INDIAN SCHOOL CERTIFICATE EXAMINATION



BUSINESS STUDIES

(859)

February 2025

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Council for the Indian School Certificate Examinations (CISCE)

MISSION STATEMENT

The Council for the Indian School Certificate Examinations is committed to serving the nation's children, through high quality educational endeavours, empowering them to contribute towards a humane, just and pluralistic society, promoting introspective living, by creating exciting learning opportunities, with a commitment to excellence.

ETHOS OF CISCE

- Trust and fair play.
- Minimum monitoring.
- Allowing schools to evolve their own niche.
- Catering to the needs of the children.
- Giving freedom to experiment with new ideas and practices.
- Diversity and plurality - the basic strength for evolution of ideas.
- Schools to motivate pupils towards the cultivation of:
  Excellence - The Indian and Global experience.
  Values - Spiritual and cultural - to be the bedrock of the educational experience.
- Schools to have an 'Indian Ethos', strong roots in the national psyche and be sensitive to national aspirations.

CLASS XII

*There will be **two** papers in the subject:*

***Paper I** - Theory: 3 hours …… 80 marks*

***Paper II** - Project Work …… 20 marks*

PAPER - I (THEORY): 80 MARKS

1. Human Resource Management

(i) Introduction to Human Resource Management.

Meaning and definition of Human Resource Management; Characteristics of Human Resource Management: people oriented, comprehensive function, staff function, pervasive, challenging, continuous, individual oriented, development oriented, action oriented, future oriented, interdisciplinary, art as well as science, young discipline; Importance of human resource management.

(ii) Job and Manpower planning.

Meaning, relevance and difference between the following: Job Analysis, Job Specification, Job Description, Job Enrichment and Job Enlargement, Manpower Estimation.

(iii) Staff Recruitment.

Meaning, definition and characteristics of staff recruitment; sources of recruitment: internal sources (promotion, transfer, ex-employees, recommendation by employees); external sources (advertisements, campus recruitment, casual callers, gate hiring, employment exchanges, placement agencies, labour contractors). Differences between internal and external sources of recruitment, their merits and demerits; e-recruitment: concept, benefits and limitations; sources of e-recruitment: internet and intranet (their benefits and limitations).

(iv) Staff Selection.

Meaning and definition of staff selection; Selection procedures (preliminary screening, application blank, selection test, Group discussion, final interview, medical test, reference check, final approval, placement; brief explanation and importance of each step of the selection procedure); distinction between recruitment and selection.

(v) Staff Training.

Meaning and definition of training; distinction between training, education and development; types of training (induction, job, remedial, safety, promotional, refresher- brief explanation of each.); methods of training: on the job and off the job (vestibule, apprenticeship, internship, classroom); Distinction between on the job and off the job training. Hindrances to training: brief explanation. Benefits of training to employer and employees.

(vi) Staff Morale.

Meaning, definition and characteristics of staff morale; Morale Productivity Matrix (brief explanation of the four situations); factors influencing morale (morale depressants and stimulants: an understanding of how the same factor may lower or boost morale); methods of raising morale; indicators of low and high morale; advantages of high morale; disadvantages of low morale.

(vii) Staff Motivation.

Meaning, definition and characteristics of staff motivation; difference between motivation and morale; importance of staff motivation to the employer and the employee ; factors influencing motivation: monetary and non-monetary incentives; differences between monetary and non-monetary incentives; Maslow's theory of the Hierarchy of Human Needs (explanation of the theory with the help of the pyramid, assumptions and criticism of the theory); Herzberg's Two-factor Theory (Motivation and Hygiene Factors).

(viii) Staff Remuneration.

Meaning and definition of Staff remuneration, Methods of wage payment – Time Rate and Piece Rate System (An explanation of the two systems along with their merits, demerits and suitability, differences between the two); Pay Slip and Payroll - Meaning, Differences, Components, Specimens of both. Various staff benefits: Employee Provident Fund, National Pension System, Group Insurance (medical and life), encashment of leave, gratuity, (basic understanding only). Types of leaves (casual, medical/sick, earned / privilege, maternity/ paternity, sabbatical/ study, leave without pay: basic understanding only)

(ix) Staff Leadership.

Meaning and definition of staff leadership; Distinction between Leadership and Management; Leadership styles: Autocratic, Democratic, Laissez-Faire (brief explanation, advantages, disadvantages and comparison between each style); Leadership continuum (brief description); Situational leadership (brief description); Blake & Mouton Managerial Grid (brief explanation).

(x) Staff Appraisal.

Meaning and definition of Performance Appraisal and Potential Appraisal; Distinction between the two; Objectives and importance of Performance Appraisal, Methods of Performance Appraisal - merit grading, appraisal by results, appraisal by superior staff: self-appraisal; 360° appraisal (brief explanation of each method and their respective advantages and disadvantages).

(xi) Staff Promotion and Transfer.

Staff Promotion - Meaning, definition, benefits and limitations of promotion; Open and Closed policy of promotion (meaning and differences); a brief understanding of the concept of Dry promotion and upgrading and distinction between the two; requirements of a sound promotion policy; Basis of promotion: seniority, merit, seniority-cum-merit (brief explanation of each and the advantages, disadvantages, comparison between seniority basis and merit basis.)

Staff Transfer: Meaning, definition and need for transfer; Types of transfers: replacement, versatility, remedial, production (meaning and relevance of each type).

(xii) Staff Separation.

Meaning of Staff separation; means of staff separation: Retirement (Compulsory and Voluntary), Lay off, Retrenchment, Resignation, Suspension (Meaning and distinction only), Dismissal: grounds for dismissal, procedure for staff dismissal.

Exit Interview-Meaning and importance.

(xiii) Emerging trends in Human Resources.

Flexible Hours, Permanent part time, Work from home, Retainership, Virtual teams, Self-managing teams (SMTs) - only meaning of the above terms.

2. Business Communication and Correspondence

(i) Business Communication

Meaning and definition of communication; importance of communication in business, elements of the Communication Process, Methods of communication: Oral, Written, Gestural, Visual (Meaning, advantages and disadvantages of all these methods), Difference between oral and written communication, Types of communication: On the basis of area of operation (Internal and External), on the basis of relationship (Formal and Informal), on the basis of direction (Horizontal, Vertical-upwards and downwards, Diagonal), Meaning, Advantages and Disadvantages of each; distinction between - Internal and External; Formal and Informal; Horizontal and Vertical Communication; Barriers to Communication (Semantic, Physical and Mechanical, Organisational, Socio-Psychological: meaning only, detailed explanation not required); overcoming the barriers to communication.

(ii) Business Correspondence

Need and functions of business correspondence.

Business Letters

Elements and contents of various business letters; types of letters: solicited and unsolicited letters of application for a job, along with drafting of biodata; Interview letter, Offer of Appointment, Letter of resignation, Letter of enquiry, Quotation letter, Order letter, Complaint letter, Reply to Complaint letter).

***NOTE:** Candidates should be able to draft all of the above types of letters, using the appropriate format.*

Reports

Meaning and definition of Reports; types of reports: statutory, non- statutory, private, public, informational, interpretative, routine/periodic, special; brief explanation of each type of report; differences between statutory and non-statutory, private and public, informational and interpretative, routine/periodic and special report. Format of report (report writing not required).

(iii) Current trends in Business Communication: e-mail and video conferencing.

Meaning and uses of e-mail and video conferencing.

3. Business Size and Finance

(i) Various business entities.

Meaning, definition and distinction between sole proprietorship, partnership, private limited company and public limited company.

(ii) Sources of business finance

A basic understanding of the following: Equity and preference shares, debentures and bonds, retained profits, public deposits, loans, trade credit, discounting of bills of exchange, global depository receipt, Angel investors, venture capitalists, crowd funding, peer to peer funding, factoring.

4. Globalisation and recent trends in Business

(i) Globalisation.

Meaning, nature, opportunities and threats of globalization for business; brief understanding of how globalization has been instrumental in transforming the manner in which Business is conducted.

(ii) e-Business.

Meaning, nature and importance of e- business to the buyer and to the seller.

(iii) Outsourcing.

Concept of outsourcing; Parties involved – the outsourcer, the outsourced and the service provider – the respective advantages and disadvantages of each of the above.

(iv) Types of Outsourcing.

Business Process Outsourcing (BPO), Knowledge Process Outsourcing (KPO), and Business Legal Process Outsourcing (LPO).

Basic understanding of the above.

(v) Online means of conducting business.

Business to Consumer (B2C), Consumer to Consumer (C2C), Business to Business (B2B), Intra Business (Intra B) and, Business to Government (B2G), Government to Business (G2B).

Basic understanding of the above with a few examples.

5. Business Regulators and Intermediaries

(i) Regulators and Intermediaries.

Meaning of the terms Regulators and Intermediaries.

(ii) Role of Regulators and Intermediaries.

(a) *Reserve Bank of India (RBI): Indian banks, foreign banks, Non-Banking Financial Companies (NBFC).*

(b) *Securities and Exchange Board of India (SEBI): stock exchanges, stock brokers, merchant bankers, depositories, mutual funds and credit rating agencies.*

(c) *Insurance Regulatory and Development Authority of India (IRDA): insurance*

companies, insurance agents and insurance brokers.

(d) *Food Safety and Standards Authority of India (FSSAI): food processors, food packers.*

(e) *Bureau of Indian Standards (BIS): ISI mark given to industrial goods, consumer electrical goods, steel manufacturers.*

Only a basic understanding of the roles of the above regulators and intermediaries.

PAPER II–PROJECT WORK: 20 MARKS

Candidates will be expected to have completed **two** projects from any topic covered in Theory.

The project work will be assessed by the teacher and a Visiting Examiner appointed locally and approved by CISCE.

Mark allocation for **each** Project [10 marks]:

Overall format	1 mark
Content	4 marks
Findings	2 marks
Viva-voce based on the Project	3 marks

A list of suggested Projects is given below:

1. Analyse the recruitment process in any two companies of your choice. List the loopholes if any and give suggestions for improving the process. (You may also make a comparative study of the recruitment process).
2. Evaluate the selection process of any two firms from the corporate world and discuss their benefits and drawbacks vis-a-vis each other.
3. Study any two business organizations (one Multi National Company and one Indian Company) with regards to their Policies of Compensation (Increment policy, Incentive policy, Bonus and reward policy, retirement benefits).
4. Study the various types of leaves made available to employees. Leaves can be considered as financial cost to the organization. What other tangible and non-tangible benefits does the organization stand to gain from incurring this cost? Do the benefits justify the cost?
5. Consider any two successful business leaders. Give a brief account of their leadership styles. Explain the impact of their leadership styles in the achievement of the organizational goals of their respective organisations.
6. Analyse the emerging trends in human resource management and discuss their implementation in India (Comparative study of five organisations).
7. Make a comparative study of any two E-Businesses in terms of their Nature, Size, Products and Services offered, Functioning and Policies.
8. Select any two companies and study their sources of finance with respect to the amount procured and advantages and disadvantages of each source of finance
9. Select any BPO or KPO and explain the outsourced functions that it performs. Discuss the impact of outsourcing in general and specifically on the profitability of the outsourcing organization.
10. Study any one regulator and the intermediaries under it. Give an account of their functions and how it helps the common man.

NOTE: No question paper for Project work will be set by CISCE.

SAMPLE TABLE FOR PROJECT WORK

S. No.	Unique Identification Number (Unique ID) of the candidate	PROJECT 1					PROJECT 2					TOTAL MARKS
		A	B	C	D	E	F	G	H	I	J	
		Teacher	Visiting Examiner	Average Marks (A + B ÷ 2)	Viva-Voce by Visiting Examiner	Total Marks (C + D)	Teacher	Visiting Examiner	Average Marks (F + G ÷ 2)	Viva-Voce by Visiting Examiner	Total Marks (H + I)	(E + J)
		7 Marks*	7 Marks*	7 Marks	3 Marks	10 Marks	7 Marks*	7 Marks*	7 Marks	3 Marks	10 Marks	20 Marks
1												
2												
3												
4												
5												
6												
7												
8												
9												
10												

*Breakup of 7 Marks to be awarded separately by the Teacher and the Visiting Examiner is as follows:		Name of Teacher: Signature: Date
Overall Format	1 Mark	
Content	4 Marks	Name of Visiting Examiner
Findings	2 Marks	Signature: Date

NOTE: VIVA-VOCE (3 Marks) for each Project is to be conducted only by the Visiting Examiner, and should be based on the Project only