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PREFACE

The woods are lovely, dark and deep.
But I have promises to keep, and
miles to go before I sleep

- Robert Frost

Respected Principals, Correspondents, Headmasters/ Headmistresses, Teachers,

From the bottom of our heart, we at SURA Publications sincerely thank you for the support and patronage that you have extended to us for more than a decade.

It is in our sincerest effort we take the pride of releasing **SURA'S Commerce** for +2 Standard. This guide has been authored and edited by qualified teachers having teaching experience for over a decade in their respective subject fields. This Guide has been reviewed by reputed Professors who are currently serving as Head of the Department in esteemed Universities and Colleges.

With due respect to Teachers, I would like to mention that this guide will serve as a teaching companion to qualified teachers. Also, this guide will be an excellent learning companion to students with exhaustive exercises and in-text questions in addition to precise answers for textual questions.

In complete cognizance of the dedicated role of Teachers, I completely believe that our students will learn the subject effectively with this guide and prove their excellence in Board Examinations.

I once again sincerely thank the Teachers, Parents and Students for supporting and valuing our efforts.

God Bless all.

Subash Raj, B.E., M.S.

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All the Best

CONTENT

Unit	Chapter No	Title	Page No	Month
UNIT- I Management Process	1.	Principles Of Management	1-10	June
	2.	Functions Of Management	11-17	
	3.	Management By Objectives (MBO) and Management By Exception (MBE)	18-24	
UNIT- II Financial Markets - I	4.	Introduction To Financial Markets	25-32	July
	5.	Capital Market	33-41	
	6.	Money Market	42-51	
UNIT-III Financial Markets - II	7.	Stock Exchange	52-63	
	8.	Securities Exchange Board Of India (SEBI)	64-71	
FIRST MIDTERM TEST				
UNIT-IV Human Resorce Management	9.	Fundamentals of Human Resource Management	72-79	August
	10.	Recruitment Methods	80-87	
	11.	Employee Selection Process	88-101	
	12.	Employee Training Method	102-112	
UNIT-V Elements of Marketing	13.	Concept Of Market And Marketer	113-120	September
	14.	Marketing And Marketing Mix	121-128	
	15.	Recent Trends In Marketing	129-136	
UNIT-VI Consumer Protection	16.	Consumerism	137-146	
	17.	Rights, Duties & Responsibilities of Consumers	147-153	
	QUARTERLY EXAMINATION			
	18.	Grievance Redressal Mechanism	154-163	October

Unit	Chapter No	Title	Page No	Month
UNIT-VII Business Environment	19.	Environmental Factors	164-172	October
	20.	Liberalization, Privatization And Globalization	173-181	
UNIT-VIII The Sale of Goods Act, 1930 and the Negotiable Instrument Act, 1881	21.	The Sale Of Goods Act, 1930	182-190	
	22.	The Negotiable Instruments Act, 1881	191-201	
UNIT-IX Entrepreneurship Development	23.	Elements Of Entrepreneurship	202-214	November
	24.	Types Of Entrepreneurs	215-223	
	25.	Government Schemes For Entrepreneurial Development	224-229	
UNIT-X Company Law and Secretarial Practice	26.	Companies Act, 2013	230-237	December
	SECOND MIDTERM TEST			
	27.	Company Management	238-249	
	28.	Company Secretary	250-258	
HALF YEARLY EXAMINATION				
Instant Supplementary Exam - June 2025 Question Paper with answers			259-266	

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UNIT I

MANAGEMENT PROCESS

Chapter - 1

PRINCIPLES OF MANAGEMENT

EXERCISE

I. CHOOSE THE CORRECT ANSWERS.

1. Management is what a _____ does?
[PTA-1; QY-'19; May-'22]
(a) Manager (b) Subordinate
(c) Supervisor (d) Superior
2. Management is an _____ [Govt. MQP-'19;
PTA-1; Aug-'21; July-'22; Mar-'23 & '25]
(a) Art (b) Science
(c) Art and Science (d) Art or Science
3. Scientific management is developed
by [PTA-2; QY-'19, '24 & '24; Aug-'21;
FRT-'22; June-'23]
(a) Fayol (b) Taylor
(c) Mayo (d) Jacob
4. Dividing the work into small tasks is
known as: [Sep-2020; FRT-'22; May-'22; HY-'23;
July-'24; June-'25]
(a) Discipline (b) Unity
(c) Division of work (d) Equity
5. With a wider span, there will be _____
hierarchical levels. [PTA-6; FRT-'22]
(a) More (b) Less
(c) Multiple (d) Additional

II. VERY SHORT ANSWER QUESTIONS.

1. What is Management?
[PTA-1; QY-'19; May-'22]
➤ Management is the process of directing and controlling the various activities of the people to achieve the objectives of an organisation.
2. List out the management tools.
[HY-'19; Mar-2020 & '23; FRT-'22; QY-'23]
 1. Accounting 2. Business law
 3. Psychology 4. Statistics
 5. Econometrics
 6. Data processing
3. State the meaning of Authority.
[Sep-2020; July-'22 & '24; June-'23 & '25]
➤ Authority means the right of a superior to give the order to his subordinates.
4. What do you mean by Span of management?
[PTA-2; HY-'23]
➤ The span of management refers to the number of subordinates who can be managed efficiently by a superior.

III. SHORT ANSWER QUESTIONS

1. **Define the term management.** [PTA-1; HY-2019; Aug-'21; FRT & July-'22; June-'23; Mar-'24]
 ➤ According to Peter F. Drucker, "Management is a multipurpose organ that manages a business and manages manager, and manages worker and work."
2. **Differentiate Management from Administration. (any 3)** [Govt. MQP-'19; PTA-2; HY-'19; May-'22; QY-'24]

	Basis	Management	Administration
1.	Meaning	An organised way of managing people and things of a business organisation is called the Management	The process of administering an organisation by a group of people is known as the Administration
2.	Authority	Middle and lower level	Top level
3.	Concerned with	Policy implementation	Policy formulation
4.	Role	Executive	Decisive
5.	Area of operation	It works under administration	It has full control over the activities of the organisation.

3. **What are the principles of Taylor?** [QY-'19; Sep-2020; Mar-'23 & '25; July-'24]
 ➤ Taylor propounded the principles of scientific management are,
 - ❖ Science, Not Rule of Thumb
 - ❖ Harmony, Not Discord
 - ❖ Mental Revolution
 - ❖ Co-operation, Not Individualism
 - ❖ Development of each and every person to his or her greatest efficiency and prosperity.

4. **What determines the span of management?** [FRT-'22]
 ➤ The Span of Management has two implications:
 - ❖ Influences the complexities of the individual manager's job
 - ❖ Determine the shape or configuration of the Organization
 ➤ It has two horizontal levels of span of management
 - ❖ Wider span - Less hierarchical levels - More subordinates - Less expensive
 - ❖ Narrow span - More hierarchical levels - Less subordinates - More expensive

IV. LONG ANSWER QUESTIONS.

1. **Explain the concept of management. (any 5)** [FRT-'22; June-'23 & '25; QY. & July-'24]
 ➤ The management concept can be understood from its profound characteristic features as follows:
 - ❖ **Body of Knowledge :** Management has now developed into a specialised body of management theory and philosophy. Management literature is growing in all countries.
 - ❖ **Management Tools :** Tools of management have been developed such as, accounting, business law, psychology, statistics, econometrics, data processing, etc.

- ❖ **Separate Discipline :** Management studies in many universities and institutions of higher learning are recognised as a separate discipline. Since 1951, many specialised schools of management offering master's degree in business management and administration.
- ❖ **Specialisation :** There is a growing tendency to select and appoint highly qualified, trained and experienced persons to manage the business in each functional areas of management.
- ❖ **Code of Conduct :** Enlightened businessmen have recognised that business management is a social institution. It has social responsibilities to be fulfilled – towards customers, employees, and the public or community.

FOR SLOW LEARNERS

- The management concept has the following important features::
 - ❖ **Body of Knowledge :** Management has now developed into a specialised body of management theory and philosophy.
 - ❖ **Management Tools :** Management uses tools from other subjects like accounting, economics, statistics and business law.
 - ❖ **Code of Conduct :** Business has responsibilities towards employees, society, and the public.

2. Explain the principles of modern management. (any 5) [PTA-2; Govt. MQP & QY-'19 & '23; Aug-'21; FRT, May & July-'22; Mar-'23 & '25]

- The following are the major principles of modern management are,
 - ❖ **Division of work :** According to this principle the whole work is divided into small tasks. The specialization of the workforce according to the skills of a person, creating specific personal and professional

development within the labour force and therefore increasing productivity.

- ❖ **Authority and Responsibility :** Authority means the right of a superior to give the order to his subordinates. Responsibility means obligation for performance.
- ❖ **Discipline :** It is obedience, proper conduct in relation to others, respect of authority, etc. It is essential for the smooth functioning of all organisations.
- ❖ **Unity of command :** This principle states that each subordinate should receive orders and be accountable to one and only one superior.
- ❖ **Unity of direction :** All related activities should be put under one group. There should be one plan of action for them. They should be under the control of one manager.

FOR SLOW LEARNERS

- Henry Fayol is the father of modern management. The following are the major principles of modern management are,
 - ❖ **Division of work :**
 - ♦ The whole work is divided into small tasks.
 - ♦ It leads to specialisation which increases the efficiency of labour.
 - ❖ **Authority and Responsibility :** Authority is the right to give orders, and responsibility is the duty to complete the work.
 - ❖ **Discipline :** Discipline means obedience, good behaviour and respect for rules and authority in the organisation.
 - ❖ **Unity of command :** One employee should have only one Boss.

PTA & GOVT. EXAM QUESTIONS AND ANSWERS

I. CHOOSE THE CORRECT ANSWERS. 1 MARK

1. **Who is the 'Father of Modern Management'?** [HY-'19]
 (a) Mr. F.W. Taylor
(b) Mr. Henry Fayol
 (c) Mr. Peter F. Drucker
 (d) Mr. Louis A. Allen
2. **"Management is a multipurpose organ that manages a business and manages Manager, and manages worker and work." Who said these words?** [Mar-2020]
 (a) George Odiorne (b) Henry Fayol
(c) Peter F. Drucker (d) F.W.Taylor
3. **Assertion (A): Management knowledge is the best passport to enter into the world of employment.**
Reason (R) : Management literature is growing in all countries. [Sep-2020]
(a) (A) and (R) are correct and (R) is the correct explanation of (A).
 (b) (A) and (R) are correct and (R) is the incorrect explanation of (A).
 (c) (A) is incorrect but (R) is correct.
 (d) (A) is correct but (R) is incorrect.
4. **Which of the following was/are the principles of Taylor?** [FRT-'22]
 (a) Science, Not Rule of Thumb
 (b) Harmony, not Discord
 (c) Cooperation, not Individualism
(d) All the above
5. **Read the statements and choose the correct statement(s) :** [June-'25]
 (A) The process of administering an organisation by a group of people is known as the administration.
 (B) Management is, putting plans and policies into actions.
 (a) (A) is correct (b) (B) is correct
(c) Both (A) and (B) are correct
 (d) Both (A) and (B) are wrong

II. SHORT ANSWER QUESTIONS. 3 MARKS

1. **Is management an Art or Science?** [PTA-2; FRT-'22]
 ➤ Management is both - Science and an art.
 ➤ Management is neither a science nor an art, but a combination of both.
 ➤ It is a science because it contains principles.
 ➤ It is an Art, it requires certain personal skills to achieve the desired objective.

III. LONG ANSWER QUESTIONS. 5 MARKS

1. **Describe the principles of scientific management.** [PTA-1]
 Principles of scientific management propounded by Taylor are explained in brief as follows :
 ➤ **Science, Not Rule of Thumb :**
 - ❖ Rule of Thumb means decisions taken by manager as per their personal judgements.
 - ❖ Taylor says, even a small production activity like loading iron sheets into box cars can be scientifically planned.
 - ❖ Decision should be based on scientific enquiry with cause and effect relationships.
 ➤ **Harmony, Not Discord :**
 - ❖ Taylor emphasized that there should be complete harmony between the workers and the management. If there is any conflict between the two.
 - ❖ Both the management and the workers should realise the importance of each other.
 ➤ **Mental Revolution :**
 - ❖ The technique of mental revolution involves a change in the attitude of workers and management towards each other.
 - ❖ Thus, mental revolution requires a complete change in the outlook of both management and workers.

- **Cooperation, Not Individualism :**
 - ❖ This principle is an extension of principle of '**Harmony, not discord**'.
 - ❖ Cooperation, mutual confidence, sense of goodwill should prevail among both, managers as well as workers.
 - **Development of each and every person to his or her greatest efficiency and prosperity:**
 - ❖ Efficiency of any organisation also depends on the skills and capabilities of its employees to a great extent.
 - ❖ Employees should be scientifically selected.
 - ❖ This ultimately helps to attain efficiency and prosperity for both organisation and the employees.
2. **Write about the contribution of Drucker to management.** [QY-'19]
- "Management is a multipurpose organ that manages a business and manages

manager, and manages worker and work." - Peter F. Drucker.

- Drucker stresses three jobs of management :

- ❖ **Managing a business**
- ❖ **Managing manager; and**
- ❖ **Managing workers and work.**

- Even if one is omitted, it would not have management anymore and it also would not have a business enterprise or an industrial society.
- According to P. Drucker, the manager has to balance and integrate three major jobs of a business enterprise as mentioned above.
- Hence, a manager is a dynamic and life-giving element in every business.
- Without efficient management it cannot be secure the best allocation and utilisation of human, material and financial resources.

ADDITIONAL QUESTIONS AND ANSWERS

I. CHOOSE THE CORRECT ANSWERS. 1 MARK

I. CHOOSE THE CORRECT OPTION.

1. The observation of people at work that would reveal the one best way to do a task is known as
 (a) scientific management
 (b) creative management
 (c) human resource management
 (d) classical management
2. The first management principles were developed by
 (a) Victor Meldrew (b) Charles
 (c) Henry Fayol (d) Taylor
3. Studying the future and arranging the means for dealing with it is part of the process of
 (a) Organising (b) Controlling
 (c) Coordinating (d) Planning
4. "Division of work, authority and responsibility, unity of command" were proposed as part of the fourteen principles of management by
 (a) Fayol (b) Meldrew
 (c) Taylor (d) Charles
5. Henri Fayol was a
 (a) Social scientist
 (b) Accountant
 (c) Production engineer
 (d) Mining engineer
6. How are principles of management formed?
 (a) In a laboratory
 (b) By experience of managers
 (c) By experience of customers
 (d) By experience of producers

7. The principles of management are significant because of
 (a) changing technology
 (b) utilisation of resources
(c) increase in efficiency
 (d) initiative
8. Which of the following is not a principle of management given by Taylor?
(a) Functional foremanship
 (b) Science, not rule of the thumb
 (c) Maximum, not restricted output
 (d) Harmony, not discord
9. Find the odd one out.
 (a) board of directors (b) chief executive
(c) foremen (d) shareholders
10. 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**
11. Which of the following is not true?
 (a) Management is universal
 (b) Management is an art
 (c) Management is a social process
(d) Management is always bureaucratic
12. Modern managers are :
 (a) Action oriented
 (b) Able to build a sense of shared values
 (c) Able to manage changes efficiently
(d) All of the above

II. MATCH LIST I WITH LIST II AND SELECT THE CORRECT ANSWER USING THE CODES GIVEN BELOW.

1	List I		List II
i)	Body of knowledge	1)	Training programmes
ii)	Management Tools	2)	Professionals
iii)	Separate Discipline	3)	Data processing
iv)	Specialisation	4)	Theory and philosophy

Codes :

	(i)	(ii)	(iii)	(iv)
(a)	1	2	3	4
(b)	4	3	2	1
(c)	3	4	2	1
(d)	2	3	1	4

2.

	List I		List II
i)	Management	1)	Managerial functions
ii)	Administration	2)	Planned goals
iii)	Co-ordination	3)	Top level
iv)	Cyclical process	4)	Lower level

Codes :

	(i)	(ii)	(iii)	(iv)
(a)	1	3	4	2
(b)	1	2	3	4
(c)	2	3	1	4
(d)	3	4	2	1

3.

	List I		List II
i)	Rule of Thumb	1)	Mutual trust
ii)	Mental Revolution	2)	Extension of principle
iii)	Group action	3)	Attitude of workers
iv)	Cooperation	4)	Personal judgments

Codes :

	(i)	(ii)	(iii)	(iv)
(a)	1	2	3	4
(b)	4	3	2	1
(c)	3	4	2	1
(d)	2	3	1	4

III. CHOOSE AND FILL IN THE BLANKS.

1. _____ studies in many universities and institutions of higher learning are recognised as a separate discipline.
 (a) Science (b) Psychology
(c) Management (d) Philosophy

2. _____ have approach concentrates on the entire organisation.
 (a) Systems (b) Contingency
 (c) Man Power (d) None of these
3. The art of management is fully reflected in the _____ capacity of a manager.
 (a) professional association
 (b) separate discipline
 (c) decision-making
 (d) co-ordination
4. _____ is all about plans and actions.
 (a) Management (b) Accountant
 (c) Administration (d) Specialisation
5. _____ means decisions taken by manager as per their personal judgements.
 (a) Mental revolution (b) Cooperation
 (c) Rule of thumb (d) None of these
6. _____ is part and parcel of our day to day life.
 (a) Management (b) Industry
 (c) Commerce (d) Economics
7. _____ is growing in all countries.
 (a) Knowledge
 (b) Management literature
 (c) Both (d) None of these
8. Authority refers to _____.
 (a) getting work done
 (b) scalar chain
 (c) right to get work done
 (d) being in a managerial position
9. _____ helps to finish to task on time.
 (a) Planning (b) Motivation
 (c) Team spirit (d) Remuneration
10. _____ ensures the fluid operation of a company through authoritative procedure.
 (a) Social order (b) Material order
 (c) Human order (d) None of these

IV. PICK THE ODD ONE OUT.

1. (a) Rule of Thumb
 (b) Purposive process
 (c) Social process
 (d) Cyclical process
Reason : Rule of Thumb means decisions taken by manager as per their personal judgements. Other three are parts of management.
2. (a) Remuneration (b) Equity
 (c) Team spirit
 (d) Administration
Reason : Administration is concerned with framing policies and setting objectives. Other three are principles of modern management.

V. WHICH ONE OF THE FOLLOWING IS NOT CORRECTLY MATCHED?

1. (a) Management Tools - Statistics
 (b) Separate Discipline - Seminars
 (c) Body of knowledge - Management literature
 (d) Specialisation - Social institution
2. (a) Division of work - Small tasks
 (b) Discipline - Respect of authority
 (c) Initiative - Strength and new ideas
 (d) Unity of direction - Mutual trust

VI. WHICH ONE OF THE FOLLOWING IS CORRECTLY MATCHED?

1. (a) Unity of command - Create confusion and conflict
 (b) Unity of direction - Goals of the organisation
 (c) Remuneration - Social justice
 (d) Centralisation - Top management

2. (a) Social order - Stability
 (b) **Material order** - **Safety and efficiency**
 (c) Equity - Rewarding of effort
 (d) Initiative - Fluid operation

VII. CONSIDER THE FOLLOWING STATEMENT.

1. **Assertion (A)** : The art of management is fully reflected in the decision making capacity of a manager.

Reason (R) : Management focuses on managing people and their work.

(a) Both (A) and (R) are true and (R) is the correct explanation of (A).

(b) Both (A) and (R) are true and (R) is not the correct explanation of (A).

(c) (A) is true, but (R) is false.

(d) (A) is false, but (R) is true.

2. **Assertion (A)** : Rule of Thumb means decisions taken by manager as per their personal judgements.

Reason (R) : Decisions should be based on scientific enquiry with cause and effect relationships.

(a) Both (A) and (R) are true and (R) is the correct explanation of (A).

(b) Both (A) and (R) are true and (R) is not the correct explanation of (A).

(c) (A) is true, but (R) is false.

(d) (A) is false, but (R) is true.

3. **Assertion (A)** : Material order ensures safety and efficiency in the workplace.

Reason (R) : Team spirit helps develop an atmosphere of mutual trust and understanding.

(a) Both (A) and (R) are true and (R) is the correct explanation of (A).

(b) Both (A) and (R) are true and (R) is not the correct explanation of (A).

(c) (A) is true, but (R) is false.

(d) (A) is false, but (R) is true.

VIII. CHOOSE THE CORRECT STATEMENT.

1. (i) **Management literature is growing in all countries.**

(ii) **Corporations have now social conscience and awareness.**

(iii) **Consumer oriented marketing concept is the reflection of a corporate code of conduct.**

(a) (i) is correct (b) (ii) is correct

(c) (i) and (ii) are correct

(d) (i), (ii) and (iii) are correct

2. (i) **Behavioural school sees management as a process of planning, organising, directing and controlling.**

(ii) **Quantitative school wants to improve the quality of decision making.**

(iii) **Systems approach concentrates on the entire organisation, i.e., inputs and outputs process.**

(a) (i) is correct

(b) (ii) is correct

(c) (ii) and (iii) are correct

(d) (i) and (iii) are correct

3. (i) **Authority means the right of a superior to give the order to his subordinates.**

(ii) **Discipline is essential for the smooth functioning of all organisations.**

(iii) **Centralization implies the concentration of decision making authority at the top management.**

(a) (i) is correct

(b) (i) and (ii) are correct

(c) (ii) and (iii) are correct

(d) (i), (ii) and (iii) are correct

II. VERY SHORT ANSWER QUESTIONS. 2 MARKS**1. What is responsibility?**

- Responsibility means obligation for performance. It is the amount of work expected from a man by his superior.

2. What are 4 M's?

- Men, Machine, Money and Materials are called 4 M's.

3. What is scientific management?

- Scientific management refers to the use of scientific methods to management problems.

4. What is meant by Esprit De Corps?

- Esprit de corps refers to the need of managers to ensure and develop morale in the workplace; individually and communally. Team spirit helps develop an atmosphere of mutual trust and understanding.

5. What are the three jobs of management?

- According to peter Drucker three jobs of management are:
 - ❖ Managing a business
 - ❖ Managing a manager
 - ❖ Managing workers and work.

6. Who is a manager?

- A person responsible for controlling or administering an organization or group of staff. Manager is a salaried employee in the entity set up for carrying on the venture.

III. SHORT ANSWER QUESTIONS. 3 MARKS**1. Explain Management Vs Administration.**

- The two terms 'management' and 'administration' are used interchangeably.
 - ❖ While management is more executive in nature. But the concept of administration denotes the art of decision – making.
 - ❖ Management is all about plans, actions, but the administration is concerned with framing policies and setting objectives.
 - ❖ The manager looks after the management of the organisation, whereas administration is responsible for the administration of the organisation.

2. Write a short notes on a. Equity b. Initiative**(a) Equity :**

- ❖ Employees must be treated kindly and justice must be enacted to ensure a just workplace.
- ❖ Managers should be fair and impartial when dealing with employees, giving equal attention towards all employees.

(b) Initiative :

- ❖ Using the initiative of employees can add strength and new ideas to an organization.
- ❖ Initiative on the part of employees is a source of strength for organization because it provides new and better ideas.
- ❖ Employees are likely to take greater interest in the functioning of the organization.

3. Discuss the differences between the contributions of Taylor and Fayol.

	Basis	Henry Fayol	F.W. Taylor
1.	Perspective	Top level of management	Shop floor level of a factory
2.	Basis of formation	Personal experience	Observations and experimentation
3.	Focus	Improving overall administration	Increasing productivity
4.	Personality	Practitioner	Scientist

IV. LONG ANSWER QUESTIONS. 5 MARKS**1. Discuss the implications of span of management.**

The Span of Management has two implications:

- Influences the complexities of the individual manager's job
- Determine the shape or configuration of the Organization
- The span of management is related to the horizontal levels of the organization structure.
- With the wider span, there will be less hierarchical levels, and thus, the organizational structure would be flatter. Whereas, with the narrow span, the hierarchical levels increases, hence the organizational structure would be tall.
- Both these organizational structures have their advantages and the disadvantages. But however the tall organizational structure imposes more challenges.
- Since the span is narrow, which means less number of subordinates under one superior, requires more managers to be employed in the organization. Thus, it would be very expensive in terms of the salaries to be paid to each senior.
- With more levels in the hierarchy, the communication suffers drastically. It takes a lot of time to reach the appropriate points, and hence the actions get delayed.
- Lack of coordination and control because the operating staff is far away from the top management.

2. Explain the management process in detail.

- The substance of management should be identified as a process. A process is something that what a person does in the context of his individual duties and responsibilities assigned by his or her immediate higher authority.

There are twin purposes of the management process :

- ❖ **Maximum productivity of profitability**
- ❖ **Maximum human welfare and satisfaction.**

There are five parts of management as a process :

- **Management is Co-ordination :** The manager of an enterprise must effectively co-ordinate all activities and resources of the organisation, namely men, machines, materials and money, the four M's of the management.
- **Management is a process :** The manager achieves proper co-ordination of resources by means of the managerial functions of planning, organising, staffing, directing and controlling.
- **Management is a purposive process :** It is directed towards the achievement of predetermined goals or objectives. Without an objective, we have no destination to reach or a path to follow to arrive at our destination i.e. a goal, both management and organisation must be purposive or goal - oriented.
- **Management is a social process :** It is the art of getting things done through other people.
- **Management is a cyclical process :** It represents planning – action – control – re-planning cycle i.e. an ongoing process to attain the planned goals.



Chapter - 2

FUNCTIONS OF MANAGEMENT

EXERCISE

I. CHOOSE THE CORRECT ANSWERS.

1. Which is the primary function of management? [PTA-3; Mar.2020 & '25; June-'23]
(a) Innovating (b) Controlling
(c) Planning
(d) Decision-making
2. Which of the following is not a main function? [QY-'19; May-'22; HY-'23]
(a) Decision-making (b) Planning
(c) Organising (d) Staffing
3. _____ is included in every managerial function. [Aug-'21; Mar-'24]
(a) Co-ordinating (b) Controlling
(c) Staffing (d) Organising
4. Which of the following is verification function? [Govt. MQP & HY-'19; PTA-4; FRT & July-'22; QY-'24]
(a) Planning (b) Organising
(c) Staffing (d) Controlling
5. The goals are achieved with the help of _____. [Mar-'23; July-'24]
(a) Motivation (b) Controlling
(c) Planning (d) Staffing

II. VERY SHORT ANSWER QUESTIONS.

1. Write a short note about Planning. [PTA-3; QY-'19; FRT-'22; June-'23]
➤ Planning refers to deciding in advance. Planning is a constructive reviewing of future needs so that present actions can be adjusted in view of the established goal.

2. What is meant by Motivation? [QY-'24; Mar-'25]

➤ The goals are achieved with the help of motivation. It includes increasing the speed of performance of a work. Developing a willingness on the part of workers.

3. List the subsidiary functions of management. [Mar-'24]

➤ Innovation
➤ Representation
➤ Decision - making
➤ Communication

4. What is the Traditional Proverb used in planning?

➤ 'Think Before you Act' or 'Look Before you Leap' are some of the usual traditional proverbs; which provide a basis or logic for planning.

III. SHORT ANSWER QUESTIONS.

1. List out the main functions of management.

[QY-'19; FRT-'22; Mar-'23]

➤ The main functions of management are :
❖ Planning
❖ Organising
❖ Staffing
❖ Directing
❖ Motivating
❖ Controlling
❖ Co-ordination

2. State the importance of staffing.

[HY-'23]

- Staffing function comprises the activities of selection and placement of competent personnel.
- Staffing includes selection of right persons, training to those needy persons, promotion of best persons, retirement of old persons, performance appraisal of all the personnel, and adequate remuneration of personnel.
- The success of any enterprise depends upon the successful performance of staffing function.

3. How the employees are informed about important matters in a company?

[QY-'24]

- Employees are kept informed of all necessary matters by circulars, instructions manuals, newsletters, notice-boards, meeting, participative mechanism etc.

IV. LONG ANSWER QUESTIONS.**1. Explain the various functions of management. (any 5)**

[PTA-4; Sep.2020;

Aug-'21; May-'22; June-'23 & '25; July-'24]

- Functions of management can be classified into two categories.
A. Main functions; and B. Subsidiary functions.

➤ A. Main functions :**(i) Planning :**

- ❖ Planning is the primary function of management.
- ❖ Nothing can be performed without planning.
- ❖ E.g. Writing a book starts with planning.

(ii) Organising :

- ❖ Organising is the process of establishing harmonious relationship among the members of an organisation.

- ❖ Organising function work is assigned to employees who are given authority to carry out the work assigned and made accountable for it.

(iii) Directing :

[QY-'19]

- ❖ Directing denotes motivating, leading, guiding and communicating with subordinates.
- ❖ Employees are kept informed of all necessary matters by circulars, instructions manuals, newsletters, notice-boards, meeting, participative mechanism, etc.

B. Subsidiary functions :**(i) Innovation :**

- ❖ Innovation refers to the preparation of personnel and organisation to face the changes made in the business world.
- ❖ Innovation includes developing new material, new products, new techniques in production, new package, new design of a product and cost reduction.

(ii) Representation :

- ❖ A manager has to act as representative of a company.
- ❖ Manager has dealings with customers, suppliers, government officials, banks, financial institutions, trade unions, etc.

FOR SLOW LEARNERS**Main functions :**

- **Planning** is the primary function of management. It refers to deciding in advance.
- **Directing** denotes motivating, leading with subordinates to accomplish pre-set goals.

- **Staffing** refers to placement of right persons in the right jobs.

Subsidiary functions :

- **Innovation** : Preparing the organisation to face changes. Developing new

products, materials, methods, designs, packaging, and reducing cost.

- **Representation** : A manager represents the company and deals with customers, suppliers, government, banks, and others.

PTA & GOVT. EXAM QUESTIONS AND ANSWERS

I. CHOOSE THE CORRECT ANSWERS. 1 MARK

- Which one is incorrect?** [QY-'19]
 (a) The process of placing the right man on the right job is called placement.
 (b) A manager has to act as representative of a company.
 (c) The goals are achieved with the help of motivation.
(d) Can do anything without planning
- Subsidiary function of management are:** [FRT-'22]
 (a) Innovation
 (b) Representation
 (c) Decision making **(d) All the above**

II. VERY SHORT ANSWER QUESTIONS. 2 MARKS

- What is meant by Controlling?** [PTA-4]
 ➤ Controlling is performed to evaluate the performance of employees and deciding increments and promotion decisions.
 ➤ It is the control function which facilitates synchronization of actual performance with predetermined standards.

III. SHORT ANSWER QUESTIONS. 3 MARKS

- What are the main duties of a manager?** [PTA-4]
 ➤ A manager has to act as representative of a company.
 ➤ Manager has dealings with customers suppliers, government officials, banks, financial institutions, trade unions, etc.
 ➤ It is the duty of every manager to have good relations with others.

IV. LONG ANSWER QUESTIONS. 5 MARKS

- Explain (i) Planning (ii) Co-ordination** [FRT-'22]

➤ **Planning :**

- ❖ Planning is the primary function of management.
- ❖ Nothing can be performed without planning. (For eg., Writing a book starts with planning).
- ❖ Planning is a constructive reviewing of future needs so that present actions can be adjusted in view of the established goal.

➤ **Co-ordination:**

- ❖ Co-ordination is the synchronization of the actions of all individuals, working in the enterprise in different capacities; so as to lead to the most successful attainment of the common objectives.
- ❖ Co-ordination is included in every managerial function;

- Eg:**(i) Planning and co-ordination,
 (ii) Organising and co-ordination,
 (iii) Staffing and co-ordination,
 (iv) Directing and co-ordination,
 (v) Motivation and co-ordination and
 (vi) Controlling and co-ordination.

ADDITIONAL QUESTIONS AND ANSWERS

I. CHOOSE THE CORRECT ANSWERS. 1 MARK

I. CHOOSE THE CORRECT OPTION.

1. Management functions are called as
 (a) **Managerial Process**
 (b) Cyclical Process
 (c) Psychological Process
 (d) Accounting Process
2. Nothing can be performed without
 (a) Organising (b) Staffing
 (c) **Planning** (d) Controlling
3. Consumers are satisfied through
 (a) coordination (b) motivation
 (c) **innovation** (d) representation
4. Which of the following is not a function of management?
 (a) Budgeting (b) **Profit earning**
 (c) Staffing (d) Planning
5. Which among the following is not a subsidiary function of management?
 (a) Communication (b) Innovation
 (c) **Motivation**
 (d) Decision-making
6. Co-ordination means
 (a) Organising activities
 (b) Directing activities
 (c) **Synchronizing activities**
 (d) All of these
7. Empowerment is related to
 (a) Planning (b) Organizing
 (c) **Directing** (d) Controlling
8. Which of the following would be included in the "Controlling function"?
 (a) **Measuring results against corporate objectives**
 (b) Explaining routines
 (c) Setting standards
 (d) Giving assignments

9. Strategic planning is done by

- (a) **Top managers of the firm**
 (b) Middle managers
 (c) Supervisory managers
 (d) Non supervisory employees

10. Supervisory management spends most of his/her time

- (a) Planning and Controlling
 (b) **Directing and Controlling**
 (c) Planning and Organizing
 (d) Organizing and Controlling

II. MATCH LIST I WITH LIST II AND SELECT THE CORRECT ANSWER USING THE CODES GIVEN BELOW.

1.	List I		List II
i)	Planning	1)	Right persons
ii)	Organising	2)	Organisation goals
iii)	Staffing	3)	Creation of network
iv)	Directing	4)	Deciding in advance

Codes :

	(i)	(ii)	(iii)	(iv)
(a)	1	2	3	4
(b)	4	3	1	2
(c)	2	3	1	4
(d)	3	4	2	1

2	List I		List II
i)	Controlling	1)	Resourceful leader
ii)	Coordination	2)	Pre-set goals
iii)	Motivating	3)	Unification or integration
iv)	Directing	4)	Predetermined Standards

Codes :

	(i)	(ii)	(iii)	(iv)
(a)	4	3	1	2
(b)	1	2	3	4
(c)	3	4	2	1
(d)	2	3	1	4

III. CHOOSE AND FILL IN THE BLANKS.

- _____ refers to placement of right persons in the right jobs.
(a) Directing (b) Planning
(c) Controlling **(d) Staffing**
- _____ is included in every managerial functions.
(a) Co-ordination (b) Motivation
(c) Staffing (d) Planning
- The goals are achieved with the help of _____.
(a) Motivation (b) Innovation
(c) Representation
(d) Communication
- _____ helps in the smooth functioning of an organisation.
(a) Communication
(b) Decision-making
(c) Planning (d) Controlling
- _____ helps the regulation of job and co-ordinates the activities.
(a) Innovation
(b) Communication
(c) Representation (d) Motivation

IV. PICK THE ODD ONE OUT.

- (a) Planning (b) Organising
(c) Authority (d) Staffing
Reason : Authority means the right of a superior to give the order to his subordinates. Other three are main functions of management.
- (a) Innovation
(b) Representation
(c) Communication
(d) Rule of Thumb
Reason : Rule of Thumb means decisions taken by manager as per their personal judgments. Other three are the subsidiary functions of management.

V. WHICH ONE OF THE FOLLOWING IS NOT CORRECTLY MATCHED?

- (a) Planning - Look before you leap
(b) Organising - Creation of network
(c) Staffing - Placement of right persons
(d) Directing - Size of organisation
- (a) Co-ordination - Groupwise or sectionwise
(b) Motivation - Monetary or non-monetary incentive
(c) Innovation - Government officials
(d) Decision-making - Smooth functioning of an organisation

VI. CONSIDER THE FOLLOWING STATEMENT.

- Assertion (A) :** Managerial functions are time specific, institution specific and country specific.

Reason (R) : Management functions are called as managerial process.

Select the correct answer.

- (a) Both (A) and (R) are true and (R) is the correct explanation of (A).

(b) Both (A) and (R) are true and (R) is not the correct explanation of (A)

(c) (A) is true, but (R) is false.

(d) (A) is false, but (R) is true.

- Assertion (A) :** The success of any enterprise depends upon the successful performance of staffing function.

Reason (R) : The goals are achieved with the help of co-ordination.

- (a) Both (A) and (R) are true and (R) is the correct explanation of (A).
 (b) Both (A) and (R) are true and (R) is not the correct explanation of (A).
 (c) (A) is true, but (R) is false.
 (d) (A) is false, but (R) is true.

VII. CHOOSE THE CORRECT STATEMENT.

1. (i) Staffing function comprises the activities of selection and placement of competent personnel.
 (ii) Controlling is performed to evaluate the performance of employees and deciding increments and promotion decisions.
 (iii) All the activities are divided groupwise, or sectionwise under organising function.
 (a) (i) is correct
 (b) (i) and (ii) are correct
 (c) (ii) and (iii) are correct
 (d) (i), (ii) and (iii) are correct
2. (i) The difficulty of co-ordination depends upon the size of organisation.
 (ii) Motivation includes increasing the speed of performance of a work and developing a willingness on the part of workers.
 (iii) Consumers are satisfied through motivation.
 (a) (i) is correct
 (b) (i) and (ii) are correct
 (c) (ii) and (iii) are correct
 (d) (i), (ii) and (iii) are correct

3. (i) Every employee of an organisation has to take a number of decisions everyday.
 (ii) Communication helps the regulation of job and co-ordinate the activities.
 (iii) Planning is not a main function.
 (a) (i) is correct (b) (ii) is correct
 (c) (i) and (ii) are correct
 (d) (iii) is correct

II. VERY SHORT ANSWER QUESTIONS. 2 MARKS

1. 'Planning is done for achieving the organisational goals'. Do you agree? Give one reason in support your answer.
 ➤ Yes, planning involves setting of objectives and determining the most economical and viable alternative to achieve the goals.
2. Is directing necessary at planning stage? Give reason in support of your answer.
 ➤ No, directing is not necessary at planning stage, it is necessary at execution / operational stage.

III. VERY SHORT ANSWER QUESTIONS. 3 MARKS

1. 'Controlling is Systematic Process involving a series of steps'. Do you agree? Discuss it briefly.
 ➤ Yes, controlling is a systematic process which involves following steps.
 - ❖ Setting performance standards.
 - ❖ Measurement of actual performance
 - ❖ Comparing actual performance with standards.
 - ❖ Analysing deviations
 - ❖ Taking corrective action

2. What is meant by Innovation?

- Innovation refers to the preparation of personnel and organisation to face the changes made in the business world.
- Continuous changes are being made in the business.
- Consumers are satisfied through innovation.
- Innovation includes developing new material, new products, new techniques in production, new package, new design of a product and cost reduction.

3. What is meant by Co-ordination?

- Co-ordination is the synchronization of the actions of all individuals, working in the enterprise in different capacities; so as to lead to the most successful attainment of the common objectives.
- Co-ordination is included in every managerial function;

Eg

- (i) Planning and co-ordination,
- (ii) Organising and co-ordination,
- (iii) Staffing and co-ordination,
- (iv) Directing and co-ordination,
- (v) Motivation and co-ordination and
- (vi) Controlling and co-ordination.

