



SHRI KRISHNA ACADEMY

COMMERCE-MINIMUM MATERIAL 2019-2020

சிறப்பம்சங்கள்

- அரசுப் பொதுத்தேர்வு விடைக்குப்புகள் அடிப்படையில் கற்றல் கையேடு(Minimum Material) உருவாக்கப்பட்டுள்ளது.
- மெல்லக் கற்கும் மாணவர்கள் விரைவாகக் கற்று அதிக மதிப்பெண் பெறும் வகையில் இவ்விடைக்களஞ்சியம் அமைக்கப்பட்டுள்ளது.
- அரசுப் பொதுத்தேர்வு தேர்வில் கட்டாயமாகக் கேட்கப்படும் வினாக்களுக்கு(அகவய வினாக்கள்) விடைகள் கொடுக்கப்பட்டுள்ளது.
- கற்பதற்கு எளிய நடையில் வடிவமைக்கப்பட்டுள்ளது.
- புறவய வினாக்கள் மற்றும் அகவய வினாக்கள் விடைக்குறிப்புகளுடன் அமைந்துள்ளது.

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UNIT -1 MANAGEMENT PROCESS CHAPTER -1 PRINCIPLES OF MANAGEMENT

BOOKBACK ONEMARK

I. Choose the Correct answers:

1. Management is what a _____ does?
a) **Manager** b) Subordinate c) Supervisor d) Superior
2. Management is an _____
a) Art b) Science c) **Art and Science** d) Art or Science
3. Scientific management is developed by
a) Fayol b) **Taylor** c) Mayo d) Jacob
4. Dividing the work into small tasks is known as
a) Discipline b) Unity c) **Division of work** d) Equity
5. With a wider span, there will be _____ hierarchical levels.
a) More b) **Less** c) Multiple d) Additional

INTERIOR ONE MARK

1. ----- is a part and parcel of our day to day life
a) communication b) **management** c) function d) control
2. Management is ----- concept
a) global b) universal c) **global & universal** d) all of these
3. Management offering master's degree in business year-----
a) 1952 b) **1951** c) 1954 d) 1953
4. ----- have now social conscience and awareness
a) coordination b) **corporation** c) cooperation d) all of these
5. ----- oriented marketing concept is the reflecting of a corporate code of conduct
a) customer b) employee c) **consumer** d) worker

II. Very short answer questions:)(2 MARK)

1. What is Management?

❖ The practice of management could be found in our entire endeavour whether we are in a play ground or library or class room or hostel and so on wherein we plan many of our actions and execute them in a systematic manner to arrive at the desired results.

2. List out the management tools.

❖ Tools of management have been developed such as, accounting, business law, psychology, statistics, econometrics, data processing, etc.

3. Who is a manager?

- ❖ 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.

4. State the meaning of Authority.

- ❖ Authority means the right of a superior to give the order to his subordinates whereas responsibility means obligation for performance.

5. What do you mean by Span of management?

- ❖ The Span of Management refers to the number of subordinates who can be managed efficiently by a superior.

2 MARK (INTERIOR)

1. What is meant by code of conduct?

- Enlightened businessmen have recognised that business management is a social institution and it has social responsibilities to be fulfilled — towards customers, employees, and the public or community.

2. What is meant by line of authority?

- This refers to the chain of superiors ranging from top management to the lowest rank.

3. What is meant by unity of direction?

- All related activities should be put under one group, there should be one plan of action for them, and they should be under the control of one manager.

III. Short answer questions: (3 MARK)

1. Define the term management.

(i) Generalized Definition of Management

(ii) Precise Definition of Management

2. Is management an Art or Science?

- ❖ There is always a discussion about the nature of management whether it is an Art of doing things or it is a pure Science of getting things done. It would be useful to explain the nature of management in brief as under
- ❖ Management is an in-exact science, because in pure science, the principles are put into test in a laboratory and they are either proved or disproved exactly and precisely.

3. Differentiate management from Administration.

Basis of comparison	management	Administration
meaning	An organization way of managing people and things of a business organization is called management	the process of administration an organization by a group of people is known as the administration
Authority	Middle and lower level	top level
Role	Executive	Decisive

4. What are the principles of Taylor?

1. Science, Not Rule of Thumb
2. Harmony, Not Discord
3. Mental Revolution
4. Cooperation, Not Individualism
5. Development of each and every person to his or her greatest efficiency and prosperity.

5. What determines the span of management?

1. Influences the complexities of the individual manager's job
2. Determine the shape or configuration of the Organization

IV. Long answer questions: (5 MARK)

1. Write about the contribution of Drucker to management.

- (i) Managing a business;
- (ii) Managing manager; and
- (iii) 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.

2. Explain the management process in detail.

Management is Co-Ordination:

Management is a Process:

Management is a Purposive Process:

Management is a Social Process:

Management is a Cyclical Process:

3. Describe the principles of scientific management.

1. Science, Not Rule of Thumb:

❖ In order to increase organisational efficiency, the 'Rule of Thumb' method should be substituted by the methods developed through scientific analysis of work.

2. Harmony, Not Discord:

❖ Taylor emphasized that there should be complete harmony between the workers and the management since if there is any conflict between the two, it will not be beneficial either for the workers or the management.

3. Mental Revolution:

❖ The technique of Mental Revolution involves a change in the attitude of workers and management towards each other.

4. Cooperation, Not Individualism:

❖ This principle is an extension of principle of 'Harmony, not discord' and lays stress on mutual cooperation between workers and the management.

5. 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.

4. Explain the principles of modern management.

1. Division of Work:

According to this principle the whole work is divided into small tasks. The specialization of the workforce .

2. Authority and Responsibility:

Authority means the right of a superior to give the order to his subordinates whereas responsibility means obligation for performance.

3. Discipline:

It is obedience, proper conduct in relation to others, respect of authority, etc. It is essential for the smooth functioning of all organizations.

4. Unity of Command:

This principle states that each subordinate should receive orders and be accountable to one and only one superior.

5. Remuneration:

Workers must be paid sufficiently as this is a chief motivation of employees and therefore greatly influences productivity.

5. Discuss the implications of span of management.

1. Influences the complexities of the individual manager's job
2. Determine the shape or configuration of the Organization

CHAPTER-2 FUNCTIONS OF MANAGEMENT

I. Choose the Correct answers

1. Which is the primary function of management?
(a) Innovating (b) Controlling **(c) Planning** (d) Decision-making
2. Which of the following is not a main function?
(a) Decision-making (b) Planning (c) Organising (d) Staffing
3. Distribution of work in group wise or section wise is called as _____
(a) Co-ordinating (b) Controlling (c) Staffing **(d) Organising**
4. Which of the following is verification function?
(a) Planning (b) Organising (c) Staffing **(d) Controlling**

INTERIOR ONEMARK

1. Pick out the odd man out in mangrial function
a) welfare specific b) time specific c) institution specific d) country specific
2. Management function are called as -----
a) managerial process b) subsidiary function c) main function d) all of these
3. Functions of management can be classified ----- catogories
a) one **b) two** c) three d) four
4. Writing a book start with-----
a) organising b) staffing c) directing **d) planning**
5. ----- function comprise the activities of selection and placement of competent personal
a) organising **b) staffing** c) directing d) planning

II. Very Short Answer Questions: (2 MARK)

1. Write a short note about Planning.

- ❖ 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?

- ❖ The goals are achieved with the help of motivation. Motivation includes increasing the speed of performance of a work and developing a willingness on the part of workers.

3. What is meant by Controlling?

- ❖ Controlling is performed to evaluate the performance of employees and deciding increments and promotion decision.

4. How do you coordinate your classroom with peace?

- ❖ Peace starts with each individual, and the way you act affects the world around you.
“Allow the children to respond.

5. 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.

2 MARK (INTERIOR)

1. What is meant by organizing?

- Organising is the process of establishing harmonious relationship among the members of an organisation and the creation of network of relationship among them.

2. What is meant by directing

- Directing denotes motivating, leading, guiding and communicating with subordinates on an ongoing basis in order to accomplish pre-set goals.

3. What is co-ordination?

- Co-ordination is the synchronization (or unification or integration) 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.

III. Short Answer Questions: (3 MARK)

1. List out the main functions of management?

Planning

- ❖ 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.

Organising

- ❖ Organising is the process of establishing harmonious relationship among the members of an organisation and the creation of network of relationship among them.

Staffing

- ❖ Staffing function comprises the activities of selection and placement of competent personnel. In other words, staffing refers to placement of right persons in the right jobs.

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- ❖ 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.

3. Bring out the subsidiary functions of management.

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.

Representation

- ❖ A manager has to act as representative of a company. Manager has dealings with customers, suppliers, government officials, banks, financial institutions, trade unions and the like. It is the duty of every manager to have good relation with others.

Decision-making

- ❖ Every employee of an organisation has to take a number of decisions every day. Decision-making helps in the smooth functioning of an organisation.

4. State the importance of Motivation.

- ❖ The goals are achieved with the help of motivation. Motivation includes increasing the speed of performance of a work and developing a willingness on the part of workers.
- ❖ This is done by a resourceful leader. The workers expect, favourable climate conditions to work, fair treatment, monetary or non-monetary incentive, effective communication and gentleman approach.

5. What are the main duties of a manager?

- ❖ A manager has to act as representative of a company. Manager has dealings with customers, suppliers, government officials, banks, financial institutions, trade unions and the like. It is the duty of every manager to have good relation with others.

3 MARK (INTERIOR)

1. What is meant by communication?

- Communication is the transmission of human thoughts, views or opinions from one person to another person.

IV. Long Answer Questions: (5 MARK)

1. Explain the various functions of management.

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. Planning is the primary function of management.

Organising

- ❖ Organising is the process of establishing harmonious relationship among the members of an organisation and the creation of network of relationship among them.

Staffing

- ❖ Staffing function comprises the activities of selection and placement of competent personnel. In other words, staffing refers to placement of right persons in the right jobs.

Subsidiary Functions

Innovation

- ❖ Innovation refers to the preparation of personnel and organisation to face the changes made in the business world.

Representation

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

CHAPTER-3

MANAGEMENT BY OBJECTIVES (MBO) MANAGEMENT BY EXCEPTION (MBE)

I. Choose the Correct Answers:

1. _____ System gives full Scope to the Individual Strength and Responsibility.

- (a) **MBO** (b) MBE (c) MBM (d) MBA

2. Which is the First step in Process of MBO?.

- (a) Fixing Key Result Area (b) Appraisal of Activities
(c) Matching Resources with Activities **(d) Defining Organisational Objectives**

3. _____ keeps Management Alert to Opportunities and Threats by Identifying Critical Problems.

- (a) MBA **(b) MBE** (c) MBM (d) MBO

4. Delegation of Authority is Easily Done with the Help of _____ .

- (a) MBM (b) MBE **(c) MBO** (d) MBA

INTERIOR ONE MARKS

1. ----- is popularized in the USA by
a) **George Ordiorne** b) Marshall c) William d) Drucker
2. Match the following
a) Objective of MBO - Goal of each section
b) Feature of MBO - integrate goal
c) Process of MBO - subordinate motivation
a) **c, b, a** b) b,a,c c) a,b,c d) none of these
3. ----- meeting is held during the period set for achieving the objectives
a) Board meeting b) AGM meeting c) **Periodical review** d) All of these
4. ----- is a part of dynamic world
a) economic b) **organisation** c) non-economic d) MBE
5. Which one is correct statement for MBO
a) MBO is rigid one objectives b) **MBO systematic performance evaluation**
c) MBO fails to explain the philosophy d) MBO emphasizes only on short term objectives

II. Very Short Answer Questions: (2MARK)

1. Define – MBO

- ❖ Prof. Reddin defines MBO as, “the establishment of effective standards for managerial positions and the periodic objectives linked vertically and horizontally and with future planning”.conversion of those into measurable time bound

2. What are the objectives of MBO? (any 5)

- ❖ To measure and judge performance
- ❖ To relate individual performance to organisational goals

3. Bring out the meaning of MBE.

- ❖ Management by exception is an important principle of managerial control suggested by the classical writers on management.

4. Mention any two advantages of MBO?

1. Managers are involved in objectives setting at various levels of management under MBO and this commitment ensures hard work to achieve them.
2. MBO process helps the managers to understand their role in the total organisation.

5. Write any two importance of MBE.

- ❖ It saves the time of managers because they deal only with exceptional matters. Routine problems are left to subordinates.
- ❖ It focuses managerial attention on major problems. As a result, there is better utilisation of managerial talents and energy. iii. It facilitates delegation of authority.

6. What is known as KRA?

- ❖ Key result areas are fixed on the basis of organizational objectives premises. Key Result Areas (KRA) are arranged on a priority basis.
- ❖ KRA indicates the strength of an organization.

2 MARK (INTERIOR)

1. Define Reddin in MBO?

- Prof. Reddin defines MBO as, “the establishment of effective standards for managerial positions and the periodic conversion of those into measurable time bound objectives linked vertically and horizontally and with future planning”.

III. Short Answer Questions: (3MARK)

1. Write the features of MBO.

1. MBO tries to combine the long run goals of organization with short run goals.
2. Management tries to relate the organization goals with society goals.
3. MBO's emphasis is not only on goals but also on effective performance.

2. What are the process involved in MBO?

1. Defining Organisational Objectives

- ❖ Initially, organisational objectives are framed by the top level employees of an organisation.

2. Goals of Each Section

- ❖ Objectives for each section, department or division are framed on the basis of overall objectives of the organisation.

3. Fixing Key Result Areas

- ❖ Key result areas are fixed on the basis of organisational objectives premises. Key Result Areas (KRA) are arranged on a priority basis.

3. What are the Process of MBE?

- ❖ Primarily, it is necessary to set objectives or norms with predictable or estimated results. These performances are assessed and get equated to the actual performance.
- ❖ Next, the deviation gets analysed. With an insignificant or no deviation, no action is required and senior managers can concentrate on other matters.

4. List out any Four process of MBO.

1. Defining Organisational Objectives

- ❖ Initially, organisational objectives are framed by the top level employees of an organisation. Then, it moves downwards. The definition of organisational objectives states why the business is started and exists.

2. Goals of Each Section

- ❖ Objectives for each section, department or division are framed on the basis of overall objectives of the organisation. Period within which these objectives should be achieved is also fixed.

3. Fixing Key Result Areas

- ❖ Key result areas are fixed on the basis of organisational objectives premises. Key Result Areas (KRA) are arranged on a priority basis.

IV. Long Answer Questions: (5 MARK)

1. What are the major advantages of MBO?

1. Managers are involved in objectives setting at various levels of management under MBO and this commitment ensures hard work to achieve them.
2. MBO process helps the managers to understand their role in the total organization.
3. Manager recognises the need for planning and appreciates the planning.
4. MBO provides a foundation for participative management. Sub-ordinates are also involved in goal setting.
5. A department does not work at cross purpose with another department.

2. What are the advantages of MBE? (any 5)

- ❖ Management by exception provides the following benefits: i. It saves the time of managers because they deal only with exceptional matters.
- ❖ Routine problems are left to subordinates.
- ❖ As a result, there is better utilisation of managerial talents and energy.
- ❖ It facilitates delegation of authority.

3. Explain the various disadvantages of MBO.

1. MBO fails to explain the philosophy; most of the executives do not know how MBO works? what is MBO? and why is MBO necessary? and how participants can benefit by MBO?
2. MBO is a time consuming process. Much time is needed by senior people for framing the MBO. Next, it leads to heavy expenditure and also requires heavy paper work.

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3. MBO emphasises only on short-term objectives and does not consider the long-term objectives.
 4. The status of subordinates is necessary for proper objectives setting. But, this is not possible in the process of MBO.
 5. MBO is rigid one. Objectives should be changed according to the changed circumstances, external or internal. If it is not done, the planned results cannot be obtained.

4. Discuss the disadvantages of MBE.

- ❖ The main disadvantage of MBE is, only managers have the power over really important decisions, which can be demotivating for employees at a lower level.
- ❖ Furthermore, it takes time to pass the issues to managers. Managing employees who deviate from the normal procedures. Because of compliance failures are considered difficult to manage and typically find themselves with limited job duties and ultimately dismissed/terminated.