UP Board Class 12 Business Studies 2026 (Set 350 MI) Question Paper with Solutions

General Instructions

(i) This booklet contains 34 questions, each provided with a complete, step-by-step solution.

(ii) It comprises 10 single-correct multiple-choice questions.

(iii) Attempt each question on your own before reviewing the given solution.

1. Management is:

(A) A Science

(B) An Art

(C) Both Science and Art

(D) None of these

Correct Answer: (C) Both Science and Art

Solution:

Step 1: Understanding the Question:
The question tests a core concept from the Nature/Principles of Management syllabus.

Step 2: Identifying the correct option:
Management has a systematic, organised body of knowledge based on general principles (the 'science' aspect), and it also requires the practical, creative application of these principles to specific situations using personal skill (the 'art' aspect). It is universally accepted as both.

Step 3: Why (A) A Science is incorrect:
This ignores the personal, creative skill every manager applies while implementing principles — management is not purely theoretical.

Step 3: Why (B) An Art is incorrect:
This ignores the systematic body of knowledge (principles, theories) that management rests on.

Step 3: Why (D) None of these is incorrect:
Management clearly exhibits characteristics of both a science and an art, so this is factually wrong.

Final Answer:
Both Science and Art

Quick Tip: Management combines a systematic body of principles (science) with the personalised skill of applying them (art).

2. Who is known as the father of Scientific Management?

(A) Henry Fayol

(B) Elton Mayo

(C) F.W. Taylor

(D) Peter Drucker

Correct Answer: (C) F.W. Taylor

Solution:

Step 1: Understanding the Question:

The question tests a core concept from the Nature/Principles of Management syllabus.

Step 2: Identifying the correct option:

Frederick Winslow Taylor pioneered the systematic, scientific study of work methods (time-and-motion study, standardisation, differential piece-rate) in the early 1900s and is universally credited as the father of Scientific Management.

Step 3: Why (A) Henry Fayol is incorrect:

Fayol is known as the father of General/Administrative Management (the 14 Principles), not Scientific Management specifically.

Step 3: Why (B) Elton Mayo is incorrect:

Mayo is associated with the Hawthorne Experiments and the Human Relations/behavioural school, not Scientific Management.

Step 3: Why (D) Peter Drucker is incorrect:

Drucker is a modern management thinker known for concepts like Management by Objectives, not the founder of Scientific Management.

Final Answer:

F.W. Taylor

Quick Tip: Scientific Management as a distinct school of thought was founded by F.W. Taylor.

3. Which management thinker gave the 14 Principles of Management?

(A) Maslow

(B) Henry Fayol

(C) McGregor

(D) Elton Mayo

Correct Answer: (B) Henry Fayol

Solution:

Step 1: Understanding the Question:
The question tests a core concept from the Nature/Principles of Management syllabus.

Step 2: Identifying the correct option:
Henri Fayol, a French mining engineer and administrator, formulated 14 general Principles of Management (Division of Work, Authority and Responsibility, Discipline, Unity of Command, etc.) in his book 'General and Industrial Management' (1916).

Step 3: Why (A) Maslow is incorrect:
Maslow gave the Hierarchy of Needs theory of motivation, unrelated to the 14 Principles.

Step 3: Why (C) McGregor is incorrect:
McGregor is known for Theory X and Theory Y of human behaviour, not the 14 Principles.

Step 3: Why (D) Elton Mayo is incorrect:
Mayo's contribution is the Hawthorne Studies on human relations, not the 14 Principles of Management.

Final Answer:
Henry Fayol

Quick Tip: The 14 Principles of Management are Henri Fayol's specific, well-known contribution.

4. Which of the following is not a function of management?

(A) Planning

(B) Staffing

(C) Directing

(D) Profit-making

Correct Answer: (D) Profit-making

Solution:

Step 1: Understanding the Question:
The question tests a core concept from the Nature/Principles of Management syllabus.

Step 2: Identifying the correct option:
The recognised functions of management are Planning, Organising, Staffing, Directing, and Controlling — these describe what a manager DOES. Profit-making is an objective/outcome that a business pursues, not a managerial function/activity in itself.

Step 3: Why (A) Planning is incorrect:
Planning is one of the five core management functions.

Step 3: Why (B) Staffing is incorrect:
Staffing is one of the five core management functions.

Step 3: Why (C) Directing is incorrect:
Directing is one of the five core management functions.

Final Answer:
Profit-making

Quick Tip: Functions describe managerial activities (plan, organise, staff, direct, control); profit-making is a goal, not an activity.

5. Internal and external environment are parts of:

(A) Organization

(B) Control

(C) Business environment

(D) Staffing

Correct Answer: (C) Business environment

Solution:

Step 1: Understanding the Question:
The question tests a core concept from the Nature/Principles of Management syllabus.

Step 2: Identifying the correct option:
Business environment is defined as the sum total of all internal

factors (within the firm's control, e.g. value system, resources) and external factors (outside the firm, e.g. economic, social, political, legal, technological) that influence business decisions.

Step 3: Why (A) Organization is incorrect:
Organisation is a management function (grouping activities/resources), not defined by internal/external environment.

Step 3: Why (B) Control is incorrect:
Control is a management function concerned with measuring performance, unrelated to this classification.

Step 3: Why (D) Staffing is incorrect:
Staffing is about acquiring and developing human resources, not about internal/external environment.

Final Answer:
Business environment

Quick Tip: Business environment comprises both the internal and the external factors affecting a firm.

6. Which is not a source of recruitment?

(A) Internal source

(B) External source

(C) Selection

(D) Promotion

Correct Answer: (C) Selection

Solution:

Step 1: Understanding the Question:

The question tests a core concept from the Nature/Principles of Management syllabus.

Step 2: Identifying the correct option:

Recruitment (searching for and attracting a pool of candidates) has two broad sources — internal (promotion, transfer) and external (advertisement, employment exchanges, campus placement). Selection is a separate, later HR step of choosing the right candidate FROM the recruited pool — it is not itself a source.

Step 3: Why (A) Internal source is incorrect:

Internal source is a recognised category of recruitment.

Step 3: Why (B) External source is incorrect:

External source is a recognised category of recruitment.

Step 3: Why (D) Promotion is incorrect:

Promotion is a specific internal source of recruitment.

Final Answer:

Selection

Quick Tip: Selection is the process of choosing candidates, not a source that supplies them.

7. Maslow is related to:

(A) Leadership theory

(B) Motivation theory

(C) Communication theory

(D) Control theory

Correct Answer: (B) Motivation theory

Solution:

Step 1: Understanding the Question:
The question tests a core concept from the Nature/Principles of Management syllabus.

Step 2: Identifying the correct option:
Abraham Maslow proposed the Hierarchy of Needs (physiological, safety, social/affiliation, esteem, self-actualisation) explaining what motivates human behaviour, making him central to motivation theory within the Directing function.

Step 3: Why (A) Leadership theory is incorrect:
Maslow is not associated with leadership styles/trait theories.

Step 3: Why (C) Communication theory is incorrect:
Maslow's work has no direct link to communication models.

Step 3: Why (D) Control theory is incorrect:
Maslow's needs hierarchy has no connection with the control function of management.

Final Answer:
Motivation theory

Quick Tip: Maslow's Hierarchy of Needs is the foundational theory of motivation.

8. The main objective of financial management is:

(A) Profit maximisation

(B) Wealth maximisation

(C) Sales maximisation

(D) Cost minimisation

Correct Answer: (B) Wealth maximisation

Solution:

Step 1: Understanding the Question:
The question tests a core concept from the Nature/Principles of Management syllabus.

Step 2: Identifying the correct option:
Modern financial management theory holds Wealth Maximisation (maximising the market value of the firm's shares/shareholders' wealth) as the primary objective, since it accounts for the time value of money and risk — unlike profit maximisation, which ignores both.

Step 3: Why (A) Profit maximisation is incorrect:
This is the traditional/older objective, criticised for ignoring time value of money and risk — modern theory prefers wealth maximisation.

Step 3: Why (C) Sales maximisation is incorrect:

Sales maximisation is not the primary financial-management objective; it may be a marketing goal.

Step 3: Why (D) Cost minimisation is incorrect:
Cost minimisation is one operational concern, not the overarching objective of financial management.

Final Answer:
Wealth maximisation

Quick Tip: Modern financial management is guided by wealth maximisation, not mere profit maximisation.

9. Which two functions are closely related?

(A) Planning and control

(B) Staffing and motivation

(C) Organisation and supervision

(D) Communication and packaging

Correct Answer: (A) Planning and control

Solution:

Step 1: Understanding the Question:
The question tests a core concept from the Nature/Principles of Management syllabus.

Step 2: Identifying the correct option:
Planning sets goals and standards in advance; Controlling measures

actual performance against exactly those planned standards and corrects deviations. They are often called the 'twins' of management because control is meaningless without planning, and planning without control cannot be verified.

Step 3: Why (B) Staffing and motivation is incorrect:
These are both important but belong to different functions (Staffing vs. a sub-element of Directing) without the direct feedback-loop relationship planning-control has.

Step 3: Why (C) Organisation and supervision is incorrect:
Supervision is part of Directing, not as tightly coupled to Organising as planning is to control.

Step 3: Why (D) Communication and packaging is incorrect:
Packaging is a marketing-mix element, not a management function; this pairing does not fit the question's intent.

Final Answer:
Planning and control

Quick Tip: Planning and controlling are closely linked — control is meaningless without pre-set plans.

10. Labelling is mainly related to:

(A) Finance

(B) Marketing

(C) Staffing

(D) Planning

Correct Answer: (B) Marketing

Solution:

Step 1: Understanding the Question:

The question tests a core concept from the Nature/Principles of Management syllabus.

Step 2: Identifying the correct option:

Labelling — providing identification, descriptive, and informational tags on a product's packaging — is a part of the Product element of the marketing mix, making it fundamentally a marketing activity.

Step 3: Why (A) Finance is incorrect:

Labelling has no direct connection with financial decisions such as raising or investing funds.

Step 3: Why (C) Staffing is incorrect:

Labelling is unrelated to acquiring or managing human resources.

Step 3: Why (D) Planning is incorrect:

While planning underlies every function generally, labelling as a specific activity sits squarely under marketing, not planning.

Final Answer:

Marketing

Quick Tip: Labelling is a product-related activity under the marketing function.

11. Define management.

Correct Answer: —

Solution:

Step 1: Understanding the term:
Management is the process of getting things done, with and through people, by coordinating and effectively utilising available resources (men, money, material, machinery) to achieve pre-determined organisational goals.

Step 2: Core elements:
It is a continuous, goal-oriented, and pervasive process involving five functions — planning, organising, staffing, directing, and controlling.

Final Answer:
Management is the process of planning, organising, staffing, directing, and controlling resources to efficiently achieve an organisation's goals.

Quick Tip: Recall the standard textbook definition combining resources, people, and goal achievement.

12. Mention any two principles of Scientific Management given by F.W. Taylor.

Correct Answer: —

Solution:

Step 1: Principle 1:

Science, not Rule of Thumb: Replace old, traditional rule-of-thumb work methods with methods based on scientific study and analysis of each element of a job.

Step 2: Principle 2:

Harmony, not Discord: Management should bring about complete harmony between labour and management rather than discord, since both need each other for mutual benefit.

Final Answer:

Two Taylor principles: (1) Science, not Rule of Thumb, and (2) Harmony, not Discord.

Quick Tip: Taylor listed several such principles; any two, correctly stated, are acceptable.

13. What is meant by business environment?

Correct Answer: —

Solution:

Step 1: Definition:

Business environment refers to the sum total of all individuals, institutions, and other forces that are outside the control of a business enterprise but that may affect its performance.

Final Answer:
Business environment is the totality of external forces (economic, social, political, technological, legal) affecting a firm's functioning.

Quick Tip: Focus on the word 'external' — factors outside the firm's control.

14. Define planning.

Correct Answer: —

Solution:

Step 1: Definition:
Planning is the process of deciding in advance what is to be done, when it is to be done, how it is to be done, and who is to do it — it bridges the gap between where the organisation is and where it wants to reach.

Final Answer:
Planning is deciding in advance the future course of action to achieve desired objectives.

Quick Tip: Planning is always forward-looking / futuristic in nature.

15. What is meant by delegation of authority?

Correct Answer: —

Solution:

Step 1: Definition:

Delegation of authority is the downward transfer of authority from a superior to a subordinate to enable the subordinate to accomplish a specific assigned task, while the superior remains ultimately accountable for it.

Final Answer:

Delegation of authority is entrusting a subordinate with authority to perform a specific task, without the superior losing final accountability.

Quick Tip: Delegation involves three elements: authority, responsibility, and accountability.

16. State any two external sources of recruitment.

Correct Answer: —

Solution:

Step 1: Source 1:

Advertisement — vacancies are published in newspapers, job portals, or trade journals to attract a wide pool of applicants.

Step 2: Source 2:

Employment exchanges / placement agencies — government or private agencies that register jobseekers and refer suitable candidates to employers.

Final Answer:
Two external sources: (1) Advertisement, and (2) Employment exchanges/placement agencies.

Quick Tip: External sources look for candidates outside the organisation's existing workforce.

17. What is Motivation?

Correct Answer: —

Solution:

Step 1: Definition:
Motivation is the internal psychological process that stimulates, directs, and sustains an individual's behaviour towards achieving organisational goals by satisfying their personal needs and desires.

Final Answer:
Motivation is the internal drive that energises and channels an employee's behaviour towards achieving goals.

Quick Tip: Motivation converts an employee's latent ability into actual, goal-directed effort.

18. What is meant by Controlling?

Correct Answer: —

Solution:

Step 1: Definition:

Controlling is the management function of measuring actual organisational performance against pre-set standards, identifying deviations, analysing their causes, and taking corrective action to ensure goals are achieved as planned.

Final Answer:

Controlling means measuring performance against plans and correcting significant deviations.

Quick Tip: Controlling and planning are closely linked — control uses the standards set by planning.

19. State any two factors affecting fixed capital requirement.

Correct Answer: —

Solution:

Step 1: Factor 1:

Nature of business — a manufacturing firm needs heavy investment in plant and machinery (high fixed capital), while a trading firm needs comparatively little.

Step 2: Factor 2:

Scale of operations — a large-scale organisation requires more fixed assets (buildings, machinery) than a small-scale one.

Final Answer:

Two factors: (1) Nature of business, and (2) Scale of operations.

Quick Tip: Fixed capital funds long-term assets like land, building, plant and machinery.

20. Give two functions of labelling.

Correct Answer: —

Solution:

Step 1: Function 1:

Identification — labels help identify the product or brand at a glance.

Step 2: Function 2:

Providing information — labels give details such as ingredients, quantity, manufacturing/expiry date, and directions for use.

Final Answer:

Two functions: (1) Identifying the product, and (2) Providing product information.

Quick Tip: Think of a label on a packaged food item — what jobs does it perform for the buyer?

21. Explain the importance of Management as both an Art and a Science.

Correct Answer: —

Solution:

Step 1: As a Science:
Management has an organised body of knowledge consisting of well-tested general principles (e.g. Fayol's 14 principles) that are applicable in varying managerial situations, derived through observation and experimentation, giving it a scientific character — though it is an inexact science, since it deals with human behaviour.

Step 2: As an Art:
Applying this theoretical knowledge to actual, ever-changing organisational problems requires personal skill, creativity, and constant practice — exactly as a doctor applies medical science through the art of treatment. This includes existence of theoretical knowledge, personalised application, and improvement through continuous practice.

Step 3: Significance of combining both:
Because management deals with unpredictable human behaviour, principles alone (science) cannot guarantee success — they must be skilfully adapted to specific situations (art). This dual nature is why management education combines theory with case studies and practical training.

Final Answer:
Management is a science because it has systematic principles, and an art because applying those principles skilfully to real situations requires practice — both aspects together make management effective.

Quick Tip: Discuss the features of a science (systematic principles, universal validity) and of an art (personal skill, creativity), then show management has both.

22. What is business environment? Explain significance of natural environment in business.

Correct Answer: —

Solution:

Step 1: Meaning of business environment:
Business environment is the sum total of internal and external forces — economic, social, political, legal, technological, and natural — that affect the functioning of a business enterprise and are largely beyond its control.

Step 2: Significance of the natural environment:
Natural environment includes geographical and ecological factors such as availability of natural resources, weather, climatic conditions, and topography. It significantly affects business because: (1) location of industries often depends on the availability of raw materials and natural resources (e.g. steel plants near iron-ore belts); (2) agro-based businesses depend directly on rainfall, soil, and climate; (3) sustainable and environment-friendly practices are increasingly demanded by law and society, forcing businesses to adopt cleaner technology; (4) natural calamities (floods, droughts) can severely disrupt supply chains and production.

Step 3: Conclusion:

Since natural resources and conditions cannot be controlled by any single firm, businesses must continuously monitor and adapt to the natural environment to remain sustainable and competitive.

Final Answer:
Business environment is the totality of external and internal forces affecting a firm; the natural environment specifically shapes industry location, resource-dependent businesses, and environmental compliance.

Quick Tip: Cover the definition first, then link natural-environment factors (resources, climate, geography) to concrete business decisions.

23. Explain the difference between delegation and decentralisation.

Correct Answer: —

Solution:

Step 1: Meaning:
Delegation is the transfer of authority by an individual superior to an individual subordinate for a specific task. Decentralisation is the systematic dispersal of authority throughout the organisation to all levels of management — essentially, decentralisation is delegation extended to the lowest levels.

Step 2: Scope:
Delegation is relevant between a superior and their immediate subordinate (a relatively narrow, two-person relationship); decentralisation is a companywide philosophy applied across

departments and hierarchy levels.

Step 3: Nature:

Delegation is a compulsory act — every manager who wants work done through others must delegate at least some authority. Decentralisation is an optional policy decision taken by top management.

Step 4: Freedom of action:

Under delegation, the subordinate exercises authority under the superior's close supervision. Under decentralisation, lower-level managers enjoy substantial freedom to act and decide independently within delegated limits.

Step 5: Purpose:

Delegation aims to lighten a single superior's workload for a specific task. Decentralisation aims to build overall organisational capability and to develop future managers by giving many people decision-making practice.

Final Answer:

Delegation is authority transfer between two individuals for a specific task and is compulsory; decentralisation is the systematic spreading of authority across the whole organisation and is an optional top-management policy.

Quick Tip: Compare on: meaning, scope (individual vs organisation-wide), whether it's compulsory or optional, and purpose.

24. Discuss Maslow's hierarchy of needs theory of motivation.

Correct Answer: —

Solution:

Step 1: Basic premise:
Abraham Maslow proposed that human needs can be arranged in a hierarchy of five levels, and a person is motivated to satisfy the lowest unsatisfied need first; once a need is largely satisfied, it stops being a motivator and the next higher need becomes dominant.

Step 2: The five levels (lowest to highest):
(1) Physiological needs — basic survival needs like food, water, shelter, sleep. (2) Safety/security needs — protection from physical and economic harm, job security. (3) Social/affiliation needs — love, belonging, friendship, acceptance by a group. (4) Esteem needs — self-respect, recognition, status, power. (5) Self-actualisation needs — realising one's full potential, personal growth, creative self-fulfilment.

Step 3: Application to management:
Managers use this theory to design need-specific motivators: fair wages and safe working conditions satisfy the lower needs; team-building and a friendly work culture satisfy social needs; promotions, awards, and titles satisfy esteem needs; and challenging, creative work assignments satisfy self-actualisation needs.

Step 4: Limitation:
The theory assumes a fairly rigid, universal order of needs, whereas in reality different individuals may prioritise needs differently, and needs can operate simultaneously rather than strictly in sequence.

Final Answer:
Maslow's theory states that human needs form a five-level hierarchy (physiological, safety, social, esteem, self-actualisation), and management can motivate employees by identifying and satisfying the specific level of need currently dominant for them.

Quick Tip: List all five levels in order, briefly explain each, then connect them to real workplace motivators.

25. Explain any five functions of marketing.

Correct Answer: —

Solution:

Step 1: 1. Gathering and analysing market information:
Marketing begins with researching consumer needs, preferences, competitor activity, and market trends, so that products can be designed to actually satisfy demand.

Step 2: 2. Marketing planning:
Based on market information, a firm decides its target market, product-mix, pricing, and promotional strategy in advance — this is marketing planning.

Step 3: 3. Product designing and development:
Marketing guides decisions about a product's features, quality, packaging, and branding so that it appeals to the identified target customers.

Step 4: 4. Standardisation and grading:
Standardisation fixes uniform specifications for a product; grading sorts products into different classes based on quality, which builds customer confidence and eases trading.

Step 5: 5. Pricing of products:
Marketing determines the price at which a product is offered, balancing the need to cover costs and earn profit against what customers are willing to pay and what competitors charge.

Final Answer:
Five key marketing functions: gathering market information, marketing planning, product designing, standardisation and grading, and pricing.

Quick Tip: Marketing functions span from research and planning through to distribution, pricing, and after-sales support — pick any five distinct ones.

26. Explain McCarthy's '4P' Model of Marketing.

Correct Answer: —

Solution:

Step 1: Overview:
E. Jerome McCarthy classified the elements that a firm blends to satisfy its target market into four broad categories, popularly called the '4 Ps' of the marketing mix: Product, Price, Place, and Promotion.

Step 2: Product:

Refers to the goods or service offered to satisfy customer needs — includes decisions on quality, features, design, branding, packaging, and labelling.

Step 3: Price:
The amount of money customers must pay to acquire the product — pricing decisions consider production cost, competition, and customers' perceived value.

Step 4: Place (Distribution):
The activities that make the product available to the target customer at the right place and time — covers channels of distribution, transportation, warehousing, and inventory.

Step 5: Promotion:
Activities that communicate the merits of the product and persuade target customers to buy it — includes advertising, personal selling, sales promotion, and publicity.

Step 6: Significance:
These four elements are interdependent and must be blended together (hence 'marketing mix') to match the needs of the chosen target market as effectively as possible.

Final Answer:
McCarthy's 4P model organises the marketing mix into Product, Price, Place, and Promotion — the four controllable elements a firm blends to reach and satisfy its target customers.

Quick Tip: Name and briefly explain each of the four Ps, then note that they must work together as a 'mix'.

27. Discuss the importance of Business environment in management decision-making.

Correct Answer: —

Solution:

Step 1: 1. Enables identification of opportunities and first-mover advantage:
A firm that scans its environment early can spot emerging opportunities (e.g. a new consumer trend) and gain a competitive first-mover advantage before rivals react.

Step 2: 2. Helps identify threats and early warning signals:
Understanding environmental changes (e.g. a new competitor entering, or a change in raw material availability) allows management to prepare in advance rather than being caught off guard.

Step 3: 3. Helps in tapping useful resources:
Awareness of resource availability (finance, technology, labour) in the environment enables better resource-acquisition decisions.

Step 4: 4. Assists in planning and policy formulation:
Since environment provides inputs about external constraints and possibilities, sound managerial decision-making — such as setting goals, formulating strategy, and framing policies — must factor in environmental analysis.

Step 5: 5. Helps improve performance:
Firms that continuously monitor and adapt to environmental changes generally perform better over the long run than firms that plan in isolation from external reality.

Step 6: Conclusion:
Since business environment shapes both the opportunities available and the constraints faced, no significant managerial decision can be made in a vacuum — environmental awareness is thus fundamental to sound decision-making.

Final Answer:
Business environment awareness is crucial for management decision-making because it enables opportunity identification, early threat detection, better resource planning, and overall improved organisational performance.

Quick Tip: Cover multiple distinct benefits — opportunity spotting, threat detection, resource planning, policy formulation, performance — with brief explanation of each.

28. Write a detailed article on Management in 21st Century.

Correct Answer: —

Solution:

Step 1: Shift towards knowledge-based management:
21st century management increasingly relies on information

technology, data analytics, and knowledge management rather than purely traditional hierarchical control, since decisions must be made faster with more information available.

Step 2: Globalisation and cross-cultural management:
Businesses today operate across borders, requiring managers to handle diverse, multicultural workforces and understand international markets, regulations, and competition.

Step 3: Focus on innovation and change management:
Rapid technological change means organisations must continuously innovate; managers must build agile structures capable of adapting quickly rather than rigid, slow-moving hierarchies.

Step 4: Emphasis on ethics and social responsibility:
Modern management increasingly balances profit goals with Corporate Social Responsibility, sustainability, and ethical governance, driven by stakeholder and regulatory pressure.

Step 5: Employee-centric and participative approach:
Contemporary management favours employee empowerment, flexible work arrangements, and participative decision-making over the purely authoritarian styles common in earlier decades.

Step 6: Use of technology in every function:
From AI-driven recruitment to digital marketing and automated financial reporting, technology now touches every management function — planning, organising, staffing, directing, and controlling.

Final Answer:
21st-century management is characterised by knowledge- and

technology-driven decision-making, globalisation, continuous innovation, stronger ethical/CSR focus, and a more participative, employee-centric style compared with earlier eras.

Quick Tip: Organise the article around several distinct themes (technology, globalisation, innovation, ethics, employee focus) and briefly develop each.

29. Explain the process of staffing.

Correct Answer: —

Solution:

Step 1: 1. Estimating manpower requirements:
The staffing process begins with workforce planning — analysing how many people, with what skills, are needed both currently and in the future, based on organisational plans.

Step 2: 2. Recruitment:
Once requirements are known, the organisation searches for prospective candidates and stimulates them to apply for jobs, using internal and external sources.

Step 3: 3. Selection:
From the pool of applicants generated by recruitment, the organisation chooses the most suitable candidates through steps like screening, tests, and interviews.

Step 4: 4. Placement and orientation:
Selected candidates are placed in the job for which they are best

suited and given an orientation/induction to familiarise them with the organisation's policies, culture, and their specific role.

Step 5: 5. Training and development:
Employees are trained to improve their knowledge and skills so they can perform their current job better and prepare for future responsibilities.

Step 6: 6. Performance appraisal:
The organisation periodically and systematically evaluates an employee's performance to identify strengths, gaps, and training needs.

Step 7: 7. Promotion and career planning:
Based on performance, deserving employees are given higher positions with greater responsibility and pay, as part of career development.

Step 8: 8. Compensation:
Determining and administering wages and salaries in exchange for the services rendered, ensuring the system is fair, competitive, and motivating.

Final Answer:
Staffing is a sequential process: estimating manpower needs, recruitment, selection, placement and orientation, training and development, performance appraisal, promotion, and compensation.

Quick Tip: List the steps in logical sequence from workforce planning through to compensation, explaining each briefly.

30. What is meant by centralisation and decentralisation? Tell the difference between two.

Correct Answer: —

Solution:

Step 1: Meaning of centralisation:
Centralisation is the systematic and consistent concentration of authority at central points within the organisation, typically with top management, so that most important decisions are made only at the top.

Step 2: Meaning of decentralisation:
Decentralisation is the systematic dispersal of authority to lower levels of management throughout the organisation, allowing managers at various levels to take relevant decisions without needing constant approval from the top.

Step 3: Difference 1 — Decision-making location:
In centralisation, decisions are made mainly by top management; in decentralisation, decision-making authority is spread across multiple levels.

Step 4: Difference 2 — Speed of decisions:
Centralisation can slow decisions since everything routes through the top; decentralisation typically speeds up decisions since lower-level managers can decide on the spot.

Step 5: Difference 3 — Burden on top management:
Centralisation increases workload on top executives; decentralisation

reduces this burden by sharing decision-making responsibility.

Step 6: Difference 4 — Development of managers:
Centralisation offers fewer opportunities for lower-level managers to develop decision-making skills; decentralisation actively develops future managerial talent by giving them real decision-making practice.

Step 7: Difference 5 — Suitability:
Centralisation suits small organisations or situations needing uniform policy and tight control; decentralisation suits large, diversified, or geographically spread organisations needing local responsiveness.

Final Answer:
Centralisation concentrates decision-making authority at the top; decentralisation disperses it across levels — they differ in decision location, speed, burden on top management, managerial development, and suitability.

Quick Tip: Define both terms clearly first, then contrast them point by point (location of decisions, speed, workload, development, suitability).

31. Describe the interrelationship between planning and controlling.

Correct Answer: —

Solution:

Step 1: Planning provides the basis for control:
Control cannot function without predetermined standards, and it is

planning that provides those standards (targets, budgets, schedules) against which actual performance is later measured.

Step 2: Control makes planning meaningful and effective:
Without a control mechanism to check whether plans are actually being followed and achieved, planning would remain a mere paper exercise with no way to verify success.

Step 3: Control improves future planning:
By highlighting deviations and their causes, the control process generates valuable feedback that helps managers make more realistic and accurate plans for the future.

Step 4: Planning is prospective, control is retrospective — yet linked:
Planning looks forward in setting goals, while control looks backward in reviewing what actually happened; but the two are two ends of the same continuous cycle, not separate, unrelated activities.

Step 5: Practical example:
A sales manager plans a monthly sales target (planning); at month-end, actual sales are compared with this target, and if there is a shortfall, corrective steps like additional promotion are taken (controlling); the outcome then informs a more realistic target for next month (feeding back into planning).

Final Answer:
Planning and controlling are deeply interdependent: planning supplies the standards that control measures against, while control's feedback in turn improves the accuracy of future planning — together they form a continuous management cycle.

Quick Tip: Explain both directions of the relationship: planning enables control, and control improves planning — use an example to tie it together.

32. Explain the meaning and methods of training.

Correct Answer: —

Solution:

Step 1: Meaning of training:
Training is the process of increasing the knowledge and skills of an employee for doing a specific job. It is concerned with imparting specific skills for a particular job or purpose, and is usually a short-term, job-related activity.

Step 2: On-the-Job Training methods — (a) Apprenticeship training:
The trainee works under the close guidance of a skilled worker/master craftsman and learns by actually performing the job — common for skilled trades.

Step 3: On-the-Job — (b) Internship training:
Educational/professional institutions arrange practical training for their students in actual work settings, jointly sponsored by the institution and the employer.

Step 4: On-the-Job — (c) Induction training:
Given to a new employee to familiarise them with the organisation and its work environment immediately after joining.

Step 5: Off-the-Job methods — (a) Vestibule training:

Employees are trained on duplicate/simulated equipment set up away from the actual production floor, allowing practice without disrupting real operations.

Step 6: Off-the-Job — (b) Classroom method / lectures:
Employees are given theoretical/conceptual knowledge in a classroom via lectures, case studies, and discussions, useful for developing decision-making and interpersonal skills.

Step 7: Significance of training:
Training reduces errors and accidents, improves quality and productivity, and boosts employee morale and career prospects, ultimately benefiting both the employee and the organisation.

Final Answer:
Training imparts job-specific skills through On-the-Job methods (apprenticeship, internship, induction) and Off-the-Job methods (vestibule training, classroom lectures) to improve employee performance.

Quick Tip: Define training precisely (distinct from education), then list On-the-Job and Off-the-Job methods with brief descriptions.

33. "Consumer Protection is a social necessity, not merely a legal obligation." Explain with reference to Consumer Protection Act, 2019.

Correct Answer: —

Solution:

Step 1: Why it is a social necessity:
Consumers are often at a disadvantage against large, organised sellers due to information asymmetry, so protecting them from exploitative practices (adulteration, false claims, unsafe products) is a matter of basic social fairness, not just compliance with a rulebook.

Step 2: Importance to business itself:
Businesses that treat consumer protection seriously build long-term goodwill, repeat purchase, and brand loyalty — making it a matter of sound business ethics and self-interest, beyond legal compulsion.

Step 3: Key provisions of the Consumer Protection Act, 2019:
The Act establishes a Central Consumer Protection Authority (CCPA) to promote and enforce consumer rights, provides for Consumer Disputes Redressal Commissions at district, state, and national levels for grievance redressal, recognises product liability (making manufacturers, sellers, and service providers liable for defective products/services causing harm), and specifically addresses e-commerce and unfair trade practices, including misleading advertisements.

Step 4: Six consumer rights recognised:
The Act protects the rights to safety, to be informed, to choose, to be heard, to seek redressal, and to consumer education — covering the full lifecycle of a consumer's interaction with the market.

Step 5: Conclusion:
Because unchecked exploitation would erode public trust in markets altogether and harm even ethical businesses, consumer protection serves the interest of society as a whole, and the 2019 Act is best seen as formal recognition of an underlying social necessity, not just an

added legal burden.

Final Answer:
Consumer protection is a social necessity because it corrects the natural information/power imbalance between sellers and buyers and preserves trust in markets; the Consumer Protection Act, 2019 formalises this through the CCPA, tiered redressal commissions, and product liability provisions.

Quick Tip: Argue both the moral/social angle and then map it onto the specific 2019 Act provisions (CCPA, redressal commissions, product liability, e-commerce).

34. What is meant by Branding? State features of a good brand.

Correct Answer: —

Solution:

Step 1: Meaning of branding:
Branding is the process of giving a product a distinctive name, term, sign, symbol, or design (or a combination of these) that identifies it and differentiates it from competitors' products in the minds of consumers.

Step 2: Feature 1 — Distinctiveness:
A good brand name should be unique and different from existing brand names so customers can clearly tell it apart from competitors.

Step 3: Feature 2 — Short and simple:

It should be easy to pronounce, spell, and remember, so it registers quickly in the consumer's mind.

Step 4: Feature 3 — Suggestive of product benefits/qualities:
A good name hints at the product's use, benefit, or quality (without directly describing it, to remain legally protectable).

Step 5: Feature 4 — Adaptable to any medium/language:
It should work well across advertising media and, ideally, translate or transliterate reasonably across languages if the brand is sold in multiple regions.

Step 6: Feature 5 — Capable of registration and legal protection:
A good brand name must be legally registrable as a trademark, so it can be protected from imitation by competitors.

Step 7: Feature 6 — Should not go out of date:
A good brand name should have lasting appeal and not become associated with only a passing fad or trend.

Final Answer:
Branding is giving a product a distinctive identifying name/symbol; a good brand is distinctive, short and simple, suggestive of benefits, adaptable, legally registrable, and enduring.

Quick Tip: Define branding first, then list several distinct features (distinctiveness, simplicity, suggestiveness, adaptability, legal protectability, durability).