

**18 UBM 101 PRINCIPLES OF MANAGEMENT AND BUSINESS
ORGANISATION
K1 QUESTIONS**

UNIT-I

1. The Practice of Management written by_____.

- A. Peter F. Drucker.
- B. Terry.
- C. Louis Allan.
- D. Hendry Fayol.

ANSWER: .

2. Management is an organ; organs can be described and defined only through their functions. This definition was given by_____.

- A. Peter F. Drucker.
- B. Terry.
- C. Louis Allan.
- D. Hendry Fayol.

ANSWER: .

3. _____ Management is what a manager does .

- A. Peter F. Drucker.
- B. Terry.
- C. Louis Allan.
- D. Hendry Fayol.

ANSWER: .

4. To manage is to forecast and plan, to organize, to compound, to co-ordinate and to control by

_____.

- A. Hendry Fayol
- B. Peter F. Drucker.
- C. Louis Allan.
- D. Terry.

ANSWER: .

5. Management is the art of getting things done through and with an informally organized_____.

- A. Harold Koontz.
- B. Terry.
- C. Louis Allan.
- D. Hendry Fayol.

ANSWER: .

6. Management is the art and science of decision making and leadership_____.

- A. Harold Koontz.
- B. Donald J. Clough.
- C. Louis Allan.
- D. Terry.

ANSWER: .

7. Luther Gullick classifies the function of management as_____.
- A. POSDCORB.
 - B. POSTCARD.
 - C. POSDCORB.
 - D. POSDORBC.

ANSWER:

8. Father of Administrative management_____.
- A. Mary Parkett.
 - B. Lillian Gilberth.
 - C. Henry Fayol.
 - D. Elton Mayo.

ANSWER:

9. Henry Fayol laid down_____.
- A. 12 principles.
 - B. 13 principles.
 - C. 14 principles.
 - D. 15 principles.

ANSWER:

10. F.W. Taylor is associated with_____.
- A. Scientific Management.
 - B. Future management.
 - C. Modern management.
 - D. Principles of management.

ANSWER:

11. Management is_____.
- A. An art.
 - B. A science.
 - C. An art and a science.
 - D. An art not science.

ANSWER:

12. Henry Fayol was a French_____.
- A. Industrialist.
 - B. Writer.
 - C. Manager.
 - D. Actor.

ANSWER:

13. The chain of command from the highest authority to the lowest level in the organization is_____.
- A. Unity of direction.
 - B. Unity of command.
 - C. Centralization.
 - D. Scalar chain.

ANSWER:

14. Allotment of work to each worker on the basis of the capacity of an average worker functioning in the normal working condition is_____.
- A. Social task planning.
 - B. Scientific task planning.
 - C. Not a planning.
 - D. Scientific organizing.

ANSWER:

15. Study of the movements of both the workers and the machine is_____.
- A. Motion study.
 - B. Time study.

- C. Fatigue study.
- D. Work study.

ANSWER:

16. A study relating to the fixing of the working hours with rest periods to recoup the energy while performing in job is called_____.

- A. Fatigue study.
- B. Time study.
- C. Motion study.
- D. Work study.

ANSWER:

17. The first and foremost function of management is_____.

- A. Planning.
- B. Organizing.
- C. Controlling.
- D. Coordination.

ANSWER:

18. Planning lays down the overall objective, strategies and polices for the total enterprise is _____.

- A. Corporate planning.
- B. Divisions planning.
- C. Unit planning.
- D. Department planning.

ANSWER:

19. Strategic planning is_____.

- A. Short term planning.
- B. Medium term planning.
- C. Long term planning.
- D. Annual planning.

ANSWER:

20. Goals, aims, purposes, missions and target is also known as_____.

- A. Objective.
- B. Strategies.
- C. Polices.
- D. Rules.

UNIT-II

ANSWER:

21. A chronological sequence of steps to be undertaken to enforce a policy and to attain an objective is known as_____.

- A. Objective.
- B. Strategies.
- C. Procedures.
- D. Rules.

ANSWER:

22. The process of establishing a time sequence for the work is known as_____.

- A. Objective.
- B. Schedules.
- C. Procedures.
- D. Budgets.

ANSWER:

23. Plan that establish a required method of handling future activities is called_____.

- A. Rules.
- B. Procedures.
- C. Policy.
- D. Methods.

ANSWER:

24. Set of clear instruction in a clear and logical sequence to perform a particular task_____.

- A. Rules.
- B. Programme.
- C. Policy.
- D. Methods.

ANSWER:

25. Employees will be promoted on the basis of seniority is an example of_____.

- A. Rules.
- B. Procedures.
- C. Policy.
- D. Methods.

ANSWER:

26. Steps to be taken for selecting sales persons is an example of_____.

- A. Rules.
- B. Procedures.
- C. Policy.
- D. Methods.

ANSWER:

27. An identified group of people contributing their efforts towards the attainment of goals is called an _____.

- A. Organization.
- B. Business.
- C. Management.
- D. Department.

ANSWER:

28. Formal authority flows from upwards to downwards in_____.

- A. Formal organization.
- B. Informal organization.
- C. Business or organisation.
- D. Strategic organization.

ANSWER:

29. Informal authority flows upwards to downwards or horizontally in_____.

- A. Formal organization.
- B. Informal organization.
- C. Business or organisation.
- D. Strategic organization.

ANSWER:

30. Rules, duties and responsibilities of workers are given in writing in_____.

- A. Formal organization.
- B. Informal organization.
- C. Business or organisation.
- D. Strategic organization.

ANSWER:

31. Which type of organization is permanent and stable?

- A. Formal organization.
- B. Informal organization.
- C. Business or organisation.
- D. Strategic organization.

ANSWER:

32. Which type of organization has no place in the organization chart?

- A. Formal organization.
- B. Informal organization.
- C. Business or organisation.
- D. Strategic organization.

ANSWER:

33. Decision making is the selection based on some criteria from two or more possible alternatives is defined by__.

- A. Farland.
- B. Mac Donald.
- C. Terry.
- D. M.C. Nites.

ANSWER:

34. The selection of best alternative from many alternatives is known as_____.

- A. Selection.
- B. Decision-making.
- C. Organizing.
- D. Budgeting.

ANSWER:

35. Deal with routing and repetitive problems is a_____.

- A. Programmed decision.
- B. Non-programmed decision.
- C. Major decision.
- D. Minor decision.

ANSWER:

36. Placing purchase order is an example of_____.

- A. Programmed decision.
- B. Non-programmed decision.
- C. Major decision.
- D. Decision.

ANSWER:

37. The decision which is taken within the purview of the policy of the organization is_____.

- A. Programmed decision.
- B. Non-programmed decision.
- C. Major decision.
- D. Minor decision.

ANSWER:

38. The decision taken by lower level management is_____.

- A. Non-programmed decision.
- B. Programmed decision.
- C. Minor decision.
- D. Major decision.

ANSWER:

39. The decision deal with novel and non-repetitive problems is_____.

- A. Programmed decision.
- B. Non-programmed decision.
- C. Individual decision.
- D. Non-economic decision.

ANSWER:

40. Opening of new branch is an example of_____.

- A. Programmed decision.
- B. Non-programmed decision.
- C. Individual decision.
- D. Non-economic decision.

ANSWER:

41. The decision taken by high level of management is_____.

- A. Programmed decision.
- B. Non-programmed decision.
- C. Individual decision.
- D. Non-economic decision.

ANSWER:

42. Non-programmed decision is also called_____.

- A. Routine decisions.
- B. Structured decisions.
- C. Strategic decisions.
- D. Operative decisions.

ANSWER:

43. Programmed decision is also known as_____.

- A. Routine decisions.
- B. Structured decisions.
- C. Strategic decisions.
- D. Operative decisions.

ANSWER:

44. The decision which has long term impact on business is_____.

- A. Programmed decision.
- B. Non-programmed decision.
- C. Individual decision.
- D. Non-economic decision.

ANSWER:

45. The decision which relates to day-to-day operation of an organization is known as_____.

- A. Major decision.
- B. Organizational decision.
- C. Personal decision.
- D. Operative decision.

ANSWER:

46. The decision which does not incur any expenses is known as_____.

- A. Economic decision.
- B. Crisis decision.
- C. Non-economic decision.
- D. Problem decision.

ANSWER:

47. The decision which is implemented within the concerned department is known as_____.

- A. Economic decision.

- B. Departmental decision.
- C. Non-economic decision.
- D. Problem decision.

ANSWER:

48. Decision taken by committee formed by the top management for specific purpose is_____.

- A. Group decision.
- B. organizational decision.
- C. Personal decision.
- D. Operative decision.

ANSWER:

49. Crisis decision is also known as_____.

- A. Group decision.
- B. Major decision.
- C. Minor decision.
- D. Spot decision.

ANSWER:

50. A decision taken to meet unexpected situations is known as_____.

- A. Economic decision.
- B. Crisis decision.
- C. Non-economic decision.
- D. Problem decision.

ANSWER:

UNIT-III

51. The process whereby a manger shares his work and authority with his subordinates is_____.

- A. Decentralization
- B. Responsibility.
- C. Delegation.
- D. Decision making.

ANSWER:

52. The subordinate is granted authority to perform all the functions in his department or division is_____.

- A. Formal delegation.
- B. Specific delegation.
- C. General delegation.
- D. Informal delegation.

ANSWER:

53. The orders, instructions or direction are delegated to a particular person specifically is known as_____.

- A. General delegation.
- B. Formal delegation.
- C. Specific delegation.
- D. Informal delegation.

ANSWER:

54. Delegation made by written orders and instruction is known as_____.

- A. Oral delegation.
- B. Written delegation.
- C. Downward delegation.
- D. Sideward delegation.

ANSWER:

55. Departmentation on the basis of activities grouped according to the type of customer is_____.

- A. Departmentation by function.
- B. Departmentation by products.
- C. Departmentation by territory.
- D. Departmentation by customers.

ANSWER:

56. Departmentation is a part of the_____.

- A. organization process.
- B. Control process.
- C. Planning process.
- D. Staffing process.

ANSWER:

57. The term span of management is also known as_____.

- A. Span of business.
- B. Span of control.
- C. Span of activity.
- D. Span of planning.

ANSWER:

58. The number of subordinates that report directly to a single supervisor is_____.

- A. Span of supervision.
- B. Span of activity.
- C. Span of business.
- D. Span of organizing.

ANSWER:

59. Few subordinates report directly to a manger is _____.

- A. Wide span of management.
- B. Large span of management.
- C. Small span of management.
- D. Narrow span of management.

ANSWER:

60. Making assignments, issuing orders and instructions, providing guidance and inspiration to subordinates for the achievement of organizational objective is called_____.

- E. Planning.
- F. Organizing.
- G. Directing.
- H. Controlling.

ANSWER:

60. Management By Objectives was introduced by _____.

- A. Taylor.
- B. Elton Mayo.
- C. Peter Drucker.
- D. Maslow.

ANSWER:

61. All decision-making power is centralized in the leader is under_____.

- A. Autocratic style.
- B. Liberal leader.
- C. democratic leader.
- D. Institutional leader.

ANSWER:

62. The leader makes decisions in consultation with his followers is_____.

- A. Autocratic style.
- B. Liberal leader.
- C. Institutional leader
- D. Democratic leader.

ANSWER:

63. The last function in the managerial function is_____.

- A. Organizing
- B. Planning
- C. Staffing
- D. Controlling

ANSWER:

64. Fixation of standards, measurement of performance, comparison, and correction of deviation are the steps in_.

- A. Planning.
- B. Organizing.
- C. Staffing.
- D. Control process.

ANSWER:

65. Planning is looking ahead and control is_____.

- A. Looking back.
- B. Looking front.
- C. Looking sideward.
- D. Looking down.

ANSWER:

66. Control exercised while the activity is in progress is_____.

- A. Concurrent control.
- B. Feed forward control.
- C. Feedback control.
- D. Preserving control.

ANSWER:

67. The integrating the objectives and activities of an organization is_____.

- A. Co-ordination
- B. Controlling
- C. Organising
- D. Planning

ANSWER:

68. Co-ordination between the activities of various departments and individuals working within the organization is known as_____.

- A. Vertical co-ordination.
- B. External co-ordination.
- C. Internal co-ordination.
- D. Horizontal co-ordination.

ANSWER:

69. The oldest type of organization is_____.

- A. Line organization.
- B. Functional organization.
- C. Matrix organization.
- D. Committee organization.

ANSWER:

70. The organization which was devised by FW Taylor was_____.

- A. Functional organization.
- B. Matrix organisation.

- C. Committee organization.
- D. Line and staff organization.

ANSWER:

71. Devices which shows the organizational relationships_____.
- A. Organizational charts.
 - B. Scalar chain.
 - C. Over all plan.
 - D. Budgets.

ANSWER:

72. X and Y theory was introduced by_____.
- A. Mc gregor.
 - B. Peter drucker.
 - C. Henry fayol.
 - D. FW taylor.

ANSWER:

73. Time-event network is_____.
- A. PERT.
 - B. CPM.
 - C. MIS.
 - D. Statistical reports.

ANSWER:

74. Selecting a best course of action among the alternatives is called as_____.
- A. Decision making.
 - B. Planning.
 - C. Organizing.
 - D. Controlling.

ANSWER:

75. _____Deals with appointing people and placing them at the appropriate jobs.
- A. Human resources.
 - B. Recruitment.
 - C. Staffing.
 - D. Placement.

ANSWER:

UNIT-IV

76. Sole trading business can be started by_____
- A. At least two person
 - B. At least seven person
 - C. Any one person
 - D. At least three person

ANSWER:

77. The liability of a sole trader is _____
- A. Limited only to his investment in the business
 - B. Limited to total property of the business
 - C. unlimited
 - D. unbounded

ANSWER:

78. sole proprietorship is suitable for;_____
- A. large scale concerns
 - B. medium scale concerns
 - C. small scale concerns
 - D. huge scale concerns

ANSWER:

79. Decision making process in sole trading business is _____

- A. Quick
- B. Slow
- C. Neither quick nor slow
- D. None of these

ANSWER:

80. A sole trader _____

- A. Cannot keep his business secrets
- B. Can keep his business secrets
- C. None of the above
- D. All the above

ANSWER:

81. A partnership is formed by _____

- A. Agreement
- B. Relationship among person
- C. The direction of government
- D. All the above

ANSWER:

82. The basis of partnership is _____

- A. Utmost good faith
- B. Money available for investment
- C. Desire to work together
- D. All the above

ANSWER:

83. A Partnership firm may be registered under _____

- A. 1949 act
- B. 1956 act
- C. 1932 act
- D. 1948 act

ANSWER:

84. Registration of partnership is _____

- A. compulsory
- B. optional
- C. not necessary
- D. none of the above

ANSWER:

85. In partnership there exists a relationship of _____

- A. Principal and agent
- B. Owner and servant
- C. Employer and employee
- D. owner

ANSWER:

86. Registration of joint stock company is _____

- A. Compulsory
- B. Optional
- C. Compulsory for the public limited companies and optional for private limited company

D. Optional for public limited companies and compulsory for private limited company

ANSWER:

87. The minimum number of members for a public limited company is ____-

- A. 2
- B. 3
- C. 7
- D. 12

ANSWER:

88. The liability of shareholders of a private limited company is limited to_____

- A. The paid up value of the shares
- B. Amount remaining unpaid shares
- C. The extent of private assets
- D. Amount called up

ANSWER:

89. A private limited company can commence business_____

- A. Immediately on receiving the certificate of incorporation
- B. Only after the certificate of commencement of business is received
- C. On getting name approval form the registrar

ANSWER:

90. The existence of a company comes to close_____

- A. On the death of all the its promoters
- B. On death of all the directors of the board
- C. On transfer of shares by most of its original members
- D. None of the above

ANSWER:

UNIT-V

91. Table A of the companies act is _____

- A. Model minutes book
- B. Model form of balance sheet
- C. Model of articles of association
- D. Model of memorandum of association

ANSWER:

92. Which of the following documents define the scope of a company activities?

- A. Memorandum of association
- B. Articles of association
- C. prospects
- D. statutory declaration

ANSWER:

93. Which of the following is created by a special act of parliament or in state assemblies?

- A. Chartered company
- B. Foreign company
- C. Government company
- D. Statutory company

ANSWER:

94. Which of the following companies must file with the registrar a statement in lieu of prospectus?

- A. A public limited company which raises funds from the public through issue of shares
- B. A public limited company which has made arrangement for raising capital from directors and their relatives
- C. A private limited company
- D. All of them

ANSWER:

95. The minimum subscription specified in the prospectus must be received within_____
- A. 90 days
 - B. 120 days
 - C. 130 days
 - D. 60 days

ANSWER: .

96. A preference share has priority in _____
- A. Dividend only
 - B. Only in return of capital at the time of winding up
 - C. Voting rights
 - D. Both dividend and return of capital on winding up

ANSWER:

97. Shares can be forfeited for_____
- A. Non -payment of any debt due to the company
 - B. Not attending three annual general meetings consecutively
 - C. For non –payment of call money
 - D. For violent activities at the annual general meetings

ANSWER:

98. Where the shares are issued at a discount and the nominal value of share is Rs.100 maximum discount that can be allowed is _____
- A. Rs.5
 - B. Rs.10
 - C. Rs.20
 - D. Rs.15

ANSWER:

99. Debenture holders of the company are its_____
- A. Creditors
 - B. Members
 - C. Credit customers
 - D. Borrowers

ANSWER:

100. Debenture holders are entitled to receive interest in the following circumstances_____
- A. When there are profits
 - B. When shareholders also get dividend
 - C. Every year irrespective of loss
 - D. All the above

ANSWER:

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K2 QUESTIONS

UNIT-I

1. Define Management
2. Is Management - an art or science?
3. What are the essential skills of Managers?
4. Define Scientific Management.
5. List the principles of Scientific Management.
6. List the Functions of management
7. What are the roles played by a Manager?
8. Write some characteristics of Management?
9. Define planning.
10. List the types of planning.
11. Write the functions of management?

UNIT-II

12. Define objectives.
13. Define policy.
14. What is meant by procedure?
15. List the types of policies.
16. What is brainstorming?
17. Mention the problems in decision making.
18. List out the types of decision making.
19. What is meant by MBO?
20. Give any two advantages of MBO.
21. Give any two disadvantages of MBO.

UNIT-III

22. What is organizing?
23. What is span of control?
24. What is centralization?
25. Define Direction
26. Define staffing.
27. How can we define power?
28. Define delegation.
29. What is meant by decentralization?
30. Define Organizational structure.

- 31. Define control?
- 32. What is line authority?

UNIT-IV

- 33. Define Organization
- 34. Define 'Sole proprietorship'.
- 35. What do you mean by a 'Partnership firm'?
- 36. What do you understand by the term 'Joint Stock Company'?
- 37. List the nature of business organization.
- 38. Explain the scope of business organization.
- 39. List the types of partnership.
- 40. What is meant by dissolution?
- 41. Give the merits of partnership.
- 42. What is meant by suitability?

UNIT-V

- 43. What is a Co-operative Enterprise?
- 44. What is a Public limited company?
- 45. What is a Private limited company?
- 46. What is a Public Corporation?
- 47. Write some important functions of top level management?
- 48. What is Joint Stock Company?
- 49. List the types of chamber of commerce.
- 50. Define company.
- 51. What is meant by trade association.

SECTION-B(K3 QUESTIONS)

UNIT-I

1. Analyse and explain what is management?
2. Inspect management as Art or science.
3. Simplify the function of manages.
4. Describe the characteristics of profession.
5. Analyse and explain what is administration?
6. Simplify the qualities of managers.
7. Describe the characteristics of administration.
8. Construct the different between the management and administration.
9. List the objectives of management.
10. Mention the features of management.

UNIT-II

11. Analyse and explain what is decision making?
12. Describe the advantages of decision making.
13. Describe the disadvantages of decision making.
14. Discover the problem in decision making.
15. Analyse and explain non-programmed decisions.
16. Construct the difference between programmed and non-programmed decisions.
17. Analyse and explain what is MBO?
18. Simplify features of MBO.
19. Examine policies.
20. Categorize the demerits of MBO.

UNIT-III

21. Analyse and explain what is staffing.
22. Discover the importance of staffing.
23. Describe the advantages of staffing.
24. Describe the dis advantages of staffing.

25. Analyse and explain what is control?
26. Assume the requirements of an effective control.
27. Describe the importance of control.
28. Inspect and write advantages of control.
29. Inspect and write disadvantages of control.
30. Analyse and explain what is co-ordination?
31. Inspect and write advantages of line organisation.
32. Inspect and write disadvantages of functional organisation.
33. Analyse the ranking method.
34. Describe the features of span of control.
35. Mention the need for co-ordination.

UNIT-IV

36. Analyse the sole trading.
37. Explain joint hindu undivided family firm.
38. Elaborate partnership.
39. Difference between partnership and sole proprietorship.
40. Mention the procedure for registration of firm.
41. Discover the kinds of partnership.
42. Explain the types of dissolution.
43. Explain business organization and its nature.
44. Elaborate suitability.

UNIT-V

45. Simplify the features of Joint Stock Company.
46. Analyse the features of co-operation society
47. Advantages of co-operation society.
48. Analyse and explain disadvantages of co-operation society.
49. Examine and write short note on partnership firm.
50. Analyse and write brief note about Articles of association.
51. Examine the chamber of commerce.
52. Assume the trade of association in India.
53. Difference between private and public company.
54. Explain the formation of company in India.

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SECTION-C(K4,K5 QUESTIONS)

UNIT-I

1. Contrast the scientific management.
2. Analyse the nature and scope of management.
3. Examine management science as well as art.
4. Describe the functions of management.
5. Mention the types of planning and explain it.

UNIT-II

6. Construct the MBO.
7. Explain the types of decision making.
8. Classify and explain nature and type of policies.
9. Simplify decision making process.
10. Categorize the merits of MBO.
11. Analyse and explain programmed decisions

UNIT-III

12. Analyse the span of control.
13. Analyse the organisation structure.
14. Explain types of control
15. Mention the features of coordination.
16. List out and explain limitation of control.
17. Analyse the Joint Hindu united firms.

UNIT-IV

18. Explain the types of dissolution.
19. Describe the public sector enterprises.
20. Describe the partnership.
21. Compare merits and demerits of partnership.
22. List the rights and duties of partnership.

UNIT-V

23. List the need for chamber of commerce.

24. Difference between public and private limited company.
25. Discover the kinds of company.
26. Difference between firm and joint stock company
27. Analyse trade association.
