

Class XII BUSINESS STUDIES CBT- 2026

(BHOPAL REGION)ANSWER KEY

1. Consider the following statements regarding the 'Process' of management:

(i) It implies a series of composite but separate functions. (ii) The functions are performed in a rigid, chronological sequence that cannot overlap.

(iii) The process is complete only when the 'Social Objective' is met alongside the 'Economic Objective'.

(i) and (ii) only

(i) and (iii) only

(i) only

(i), (ii), and (iii)

ANS: (i) only

2. Mr. Advait is responsible for "interpreting the policies framed by top management" and "ensuring that his department has the necessary personnel." Simultaneously, he must "cooperate with other departments for smooth functioning." Which of the following is NOT a typical responsibility of Mr. Advait's level?

Assigning necessary duties and responsibilities to the operational team.

Motivating personnel to achieve desired objectives.

Developing long-term strategic plans for the organization's survival.

Implementing the plans developed by the CEO.

ANS: Developing long-term strategic plans for the organization's survival

3. Management as a 'Science' is often criticized for being 'inexact'. Which of the following observations most accurately supports this criticism?

Principles are not based on observation or experimentation.

There is no universal body of knowledge shared by all managers.

The application of principles must be modified based on the unpredictability of human behavior.

Management lacks a restricted entry through a mandatory educational degree.

ANS: The application of principles must be modified based on the unpredictability of human behavior.

4. Arrange the following managerial activities in the logical sequence they would occur during the launch of a new product:

(i) Identifying the number and types of employees required.

(ii) Establishing a standard for performance evaluation.

(iii) Determining the objectives and the path to achieve them.

(iv) Leading and motivating the team to achieve targets.

(v) Defining the authority-responsibility relationships.

(iii) → (v) → (i) → (iv) → (ii)

(iii) → (i) → (v) → (iv) → (ii)

(v) → (iii) → (i) → (ii) → (iv)

(iii) → (v) → (iv) → (i) → (ii)

ANS: (iii) → (v) → (i) → (iv) → (ii)

5. "A manager ensures that the production schedule is linked to the sales forecast, which is in turn linked to the financial budget." This illustrates which characteristic of coordination?

Coordination ensures unity of action.

Coordination is an all-pervasive function.

Coordination is a continuous process.

Coordination is the responsibility of all managers.

ANS: Coordination ensures unity of action.

6. "Successful management ensures that the organization survives and grows." In this context, 'Growth' is measured by all of the following EXCEPT:

- Increase in sales volume.
- Increase in the number of employees.
- Increase in capital investment.
- Increase in the dividend paid to shareholders in a single year.

ANS: Increase in the dividend paid to shareholders in a single year.

7. A manufacturing firm transitions from "Rule of Thumb" to "Scientific Management." The CEO notices that while output has doubled, the relationship between the labor union and the management has turned toxic because workers feel they are being treated like "human machines." Which specific component of Taylor's philosophy has been ignored?

- Science, Not Rule of Thumb.
- Development of each person to their greatest efficiency.
- Mental Revolution within the principle of Harmony, Not Discord.
- Cooperation, Not Individualism.

ANS: Mental Revolution within the principle of Harmony, Not Discord.

8. At "Zenith Motors," the Route Clerk (Planning) has optimized the flow of parts, but the Speed Boss (Production) is pushing the machines so hard that they are frequently breaking down, leading to missed deadlines. Who is technically responsible for correcting this specific machine related failure under Functional Foremanship?

- The Gang Boss.
- The Repair Boss.
- The Inspector.
- The Disciplinarian.

ANS: The Repair Boss

9. Which principle of scientific management is being depicted in the given image



- Equity
- Science, not rule of thumb
- Harmony, not discord
- Initiative

ANS: Harmony, not discord

10. In a resource-scarce startup, the manager refuses to use "Trial and Error" methods to allocate the marketing budget. Instead, he applies the principle of "Division of Work" and "Centralization" to maximize output. This scenario primarily highlights which importance of management principles?

- Fulfilling social responsibility.
- Meeting changing environment requirements.
- Optimum utilization of resources and effective administration.
- Providing managers with useful insights into reality.

ANS: Optimum utilization of resources and effective administration.