

ANSWER KEY OF 2 YEAR BUSINESS STUDIES – AUGUST 2025 (ONAM)
(Principal Forum)

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I. Answer any eight questions from 1 to 10. Each carries one score (8x 1=8)

1. (a). Top level
2. (b) F.W. Taylor.
3. Gang Plank.
4. (b) . Co -ordination .
5. (a). Legal environment .
6. (b) Planning .
7. (C) Statement I is true and Statement II is false.
8. (b) Functional structure .
9. (a) Span of control.
10. (c) Follows a prescribed chain of command.

II. Answer any five questions from 11 to 16. Each carries two score(5 x 2=10)

11. *Effectiveness* means achieving the goals in time .
Efficiency means achieving the target with minimum cost or resources.
12. Planning is concerned with the future , which is uncertain. The assumptions about future is called planning premises.
13. Right to give orders and instructions to the subordinates. Or Meaningful answer.
14. Organisation structure is the outcome of the organising process or Meaningful answer.
15. Business environment means 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.
16. (i) Time Study :It determines the standard time taken to perform a well-defined job.
(ii) Fatigue Study – It seeks to determine the amount and frequency of rest intervals in doing a job.

III. Answer any five questions from 17 to 22. Each carries 3 score (5 x 3= 15)

17. Single-use Plan: A single-use plan is developed for a one-time event or project.
Standing Plan: A standing plan is used for activities that occur regularly over a period of time.

18. (i) Totality of external forces:, (ii) Specific and general forces:, (iii) Inter-relatedness:, (iv) Dynamic nature, (v) *Uncertainty: (Any 3 points explain)*

19. a. Budget

A budget is a statement of expected results expressed in numerical terms. It is a plan which quantifies future facts and figures.

b. Policy

Policies are general statements that guide thinking or channelise energies towards a particular direction.

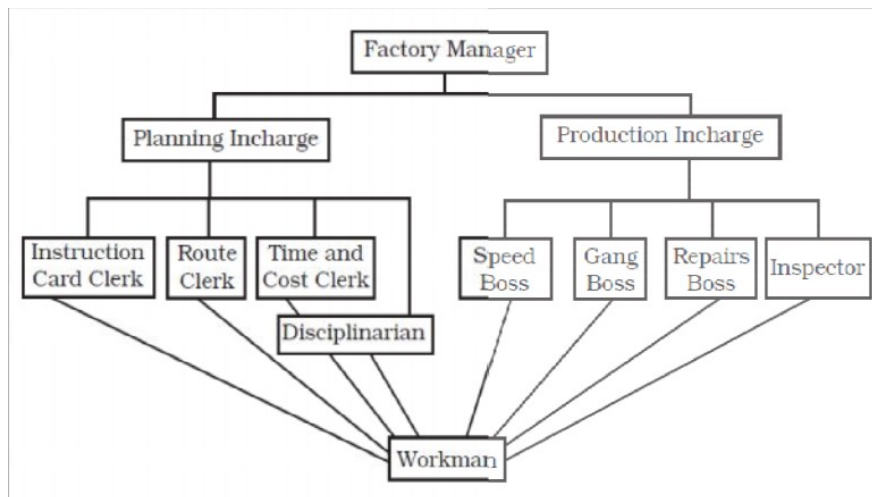
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c.Strategy

A strategy provides the broad contours of an organisation's business. A strategy is a comprehensive plan.

20.LPG -Liberalisation , Privatisation , Globalisation.

21.



22. a. Planning :,b. Organising, c. Staffing:,d. Directing:, e. Controlling:(Explain)

IV. Answer any four questions from 23 to 27. Each carries 4 score (4 x 4= 16)

23. (i) Planning leads to rigidity:,(ii). Planning may not work in dynamic environment ,(iii) Planning reduces creativity:,(iv) Planning involves huge costs:,(vi) Planning does not guarantee success:(Explain)

24.(i) Planning focuses on achieving objectives:,(ii) Planning is a primary function of management:,(iii) Planning is pervasive:,(iv) Planning is continuous:,(v) Planning is futuristic,(vi) Planning involves decision making,(vii) Planning is a mental exercise: (Explain)

25.(i) Coordination integrates group efforts:,(ii) Coordination ensures unity of action:,(iii) Coordination is a continuous process:,(iv) Coordination is an all pervasive function:,(v) Coordination is the responsibility of all managers:,(vi) Coordination is a deliberate function. (Explain)

26.

Basis	Functional Structure	Divisional Structure
Formation	It is based on functions	It is based on product lines
Specialisation	Functional specialisation	Product specialisation.
Responsibility	Difficult to fix on department	Easy to fix on a department
Managerial development	Difficult	Easy
Coordination	Difficult	Easy

27.

	Column-I		Column-II
1	Speed Boss	(iv)	To ensure timely and accurate completion of job
2	Gang Boss	(iii)	To keep machines and tools, etc. ready for operation by workers
3	Repair Boss	(i)	To ensure proper working conditions of machines and tools
4	Inspector	(ii)	To check the quality of work

V. Answer any three questions from 28 to 31. Each carries 5 scores (3 x5= 15)

28.(a) It lays down the objectives of the business organization.

(b) It prepares strategic plans and policies.

(c) It issues necessary instructions to departmental heads.

(d) They are responsible for all the activities of the business.

29. a. Science, not rule of thumb., b. Harmony, not discord., c. Co-operation, not individualism.,d. Development of each and every person to their greatest efficiency and prosperity (Explain)

30.Management as an Art

The basic features of an art are as follows:

(i) Existence of theoretical knowledge.,(ii) Personalised application.,(iii) Based on practice and creativity.

or

Management as a Science

The basic features of science are as follows:

(i) Systematised body of knowledge.,(ii) Principles based on experimentation.,(iii) Universal validity.

or

Management as a Profession

The basic features of profession are as follows:

(i) Well-defined body of knowledge.,(ii) Restricted entry.,(iii) Professional association.,(iv) Ethical code of conduct.,(v) Service motive.

31.(i) Economic Environment;, Social Environment ;,Technological Environment;,Political Environment.Legal Environment . (Explain)

Draw a suitable diagram.

VI. Answer any two questions from 32 to 34. Each carries 8 scores (2 x8= 16)

32.Formal organization and Informal organization.

Basis	Formal Organization	Informal Organization
Meaning	Structure of authority is created by management.	Network of social relationship among the employees
Origin	Arises as a result of company rules and policies	Arises as a result of social interaction
Authority	Arises by virtue of position in management	Arises out of personal qualities
Behaviour	It is directed by rules	There is no set behaviour pattern
Flow of Communication	Through the scalar chain	It can take place in any direction
Nature	Rigid	Flexible
Leadership	Managers are leaders.	Leaders are chosen by the group

33. Planning. (i) Setting Objectives., (ii) Developing Premises., (iii) Identifying alternative courses of action., (iv) Evaluating alternative courses., (v) Selecting an alternative., (vi) Implementing the plan. (vii) Follow-up action. (Explain)

34.(i) Division of Work, (ii) Authority and Responsibility.,(iii) Discipline;,(iv) Unity of Command;,(v) Unity of Direction;,(vi) Subordination of Individual Interest to General Interest;,(vii) Remuneration of Employees.,(viii)Centralisation and Decentralisation;,(ix) Scalar Chain., (x) Order;,(xi) Equity;,(xii) Stability of Personnel;,(xiii) Initiative ., (xiv) Espirit de corpss. (Explain any 7 points)