

**Unit 1, 2, and 3 Two Marks Questions with Answer**

12th Standard

**Commerce**

1) What is Management?

Management is the process of giving direction and controlling the various activities of the people to achieve the objectives of an organisation.

2) List out the management tools.

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

3) What do you mean by Span of management?

(i) The span of management refers to the number of subordinates who can be managed efficiently by a superior.

(ii) Simply, the manager having the group of subordinates who report him directly is called as the span of management.

4) What is responsibility?

Responsibility means obligation for performance. It is the amount of work expected from a man by his superior.

5) What is 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 manger.

6) What are the functional area of management?

The functional area of management are : export management, personnel management, general management, production management, marketing management and financial management.

7) What are 4 M's?

Men, Machine, Money and Materials are called 4 M's.

8) What is scientific management?

Scientific management refers to the use of scientific methods to management problems.

9) What is unity of command?

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

10) What is meant by Management process?

Management is regarded as a social process because it is directly concerned with management of human resources in order to secure co-operation and team 'work from the people in their performance.

11) What are the twin purposes of the management process?

There are twin purposes of the management process: They are

(i) Maximum productivity or profitability; and

(ii) Maximum human welfare and satisfaction.

12) Write a short note about Planning.

Planning is the primary function of management. Nothing can be performed without planning. Planning should take place before doing. In short planning refers to deciding in advance.

13) How do you coordinate your classroom with peace?

All the activities are divided group-wise or section-wise under organising function. Now, such grouped activities are co-ordinated towards the accomplishment of objectives of an organisation (Class room).

14) 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. Innovation includes developing new materials, new products, new techniques in production, new package, new design of a product and cost reduction.

15) How can you classify the managerial functions?

Managerial functions are:

- (i) Time specific
- (ii) Institutional specific; and
- (iii) Country specific.

16) "Look before you Leap is the proverb. Which function of management is highlighted here

"Look before you Leap is the traditional proverb, which refers to the management function of planning. Planning refers to deciding in advance.

17) What are the managerial functions included in co-ordination?

- (i) Planning and co-ordination
- (ii) Organising and co-ordination
- (iii) Staffing and co-ordination
- (iv) Directing and co-ordination
- (v) Motivation and co-ordination ; and
- (vi) Controlling and co-ordination.

18) Is directing necessary at planning stage? Give reason in support of your answer.

No, directing is not necessary at planning stage, it is necessary at execution / operational stage.

19) Define - MBO

Professor 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".

20) What are the objectives of MBO?

The objectives of MBO are;

- (i) to measure and judge performance.
- (ii) to relate individual performance to organisational goals.

21) What is known as KRA?

- (i) KRA means Key result areas. Key Result area are fixed on the basis of organisational objectives premises.
- (ii) Key Result Areas are arranged on a priority basis. KRA indicates the strength of an organisation.
- (iii) The examples of KRA are profitability, market standing, innovation etc.

22) How are organisational objectives framed?

Initially, organisational objectives are framed by the top level employees of an organisation. Then it moves downwards

23) The production manager establishes a quality control standards where in five defects are permissible for every 100 units. What is the management principle highlighted here?

Management by Exception.

24) Who popularise MBO?

George Odiorne.

25) What do you mean by MBO?

MBO is a management system in which each member of the organisation effectively participates and involves himself. This system gives full scope to the individual strength and responsibility. MBO harmonises the goal of an individual with the organisation's goal.

