**Business Studies – Memory Based Test (13 May 2025 – Shift 2)**

**Direction (Q1-Q5): Read the passage given below and answer question**

Sunrise Solar Solutions is experiencing rapid growth in the demand for its residential solar panel installations in Gurugram. To manage this expansion, the CEO, Mr. Sharma, held a meeting with his senior managers. During the meeting, Mr. Sharma outlined the company's goal of increasing installation capacity by 25% over the next fiscal year to capitalize on the booming market. Following this, the Operations Manager, Ms. Verma, began grouping the increasing number of installation teams geographically and assigning specific service areas to each team to ensure efficient coverage. The HR Manager, Mr. Khan, was tasked with determining the number of new technicians and support staff required and developing a recruitment drive to fill these positions. As the new teams were onboarded, the Installation Supervisor, Mr. Singh, personally explained the new installation protocols and provided hands-on training to ensure quality and safety. Finally, the Finance Manager, Ms. Das, implemented a system to track the actual number of installations against the set targets and identify any deviations requiring corrective action.

Q1. The action taken by Mr. Sharma as described in, "Mr. Sharma outlined the company's goal of increasing installation capacity by 25% over the next fiscal year," best illustrates which function of management?

(a) Organising

(b) Staffing

(c) Planning

(d) Controlling

Q2. The action undertaken by Ms. Verma as described in, "began grouping the increasing number of installation teams geographically and assigning specific service areas to each team," best represents which function of management?

(a) Directing

(b) Organising

(c) Staffing

(d) Planning

Q3. The responsibility given to Mr. Khan as described in, "was tasked with determining the number of new technicians and support staff required and developing a recruitment drive," primarily relates to which function of management?

(a) Planning

(b) Directing

(c) Controlling

(d) Staffing

Q4. The activity performed by Mr. Singh as described in, "personally explained the new installation protocols and provided hands-on training," best exemplifies which function of management?

(a) Organising

(b) Directing

(c) Controlling

(d) Staffing

Q5. The system implemented by Ms. Das as described in, "implemented a system to track the actual number of installations against the set targets and identify any deviations," best illustrates which function of management?

(a) Planning

(b) Organising

(c) Controlling

(d) Directing

Q6. Match the features of planning in List I with their descriptions in List II.

|  |  |
| --- | --- |
| List I | List II |
| A. Planning is Pervasive | I. It is required at all levels of management and in all departments of the organisation. |
| B. Planning is Continuous | II. It involves looking ahead and preparing for future events to the best advantage of an organisation. |
| C. Planning is a Primary Function | III. It lays down the base for other managerial functions. |
| D. Planning is Futuristic | IV. Plans are prepared for a specific period, and at the end of that period, new plans are drawn based on new requirements and future conditions. |

Choose the correct option from the following:

(a) A-II, B-IV, C-I, D-III

(b) A-I, B-IV, C-III, D-II

(c) A-I, B-II, C-III, D-IV

(d) A-IV, B-III, C-II, D-I

Q7. Arrange the first five steps involved in the staffing process in sequence.

(A) Recruitment

(B) Training and development

(C) Placement and Orientation

(D) Estimating the manpower requirements

(E) Selection

Choose the correct answer from the options given be-low:

(a) D, A, E, C, B

(b) A, B, C, D, E

(c) A, C, D, E, B

(d) A, D, E, C, B

Q8. Match List I with List II

|  |  |  |  |
| --- | --- | --- | --- |
|  | List I |  | List II |
| A. | Right to safety | I. | Freedom to access variety of products |
| B. | Right to be choose/ assured | II. | Get remedy/relief against unfair trade practices |
| C. | Right to be informed | III. | Complete details of the product/service |
| D. | Right to seek redressal | IV. | Protection against goods and services |

Choose the correct answer from the options given below:

(a) A-IV, B-II, C-III, D-I

(b) A-III, B-II, C-I, D-IV

(c) A-II, B-I, C-III, D-IV

(d) A-IV, B-I, C-III, D-II

Q9. Which of the following is a principle by Fayol?

(a) Cooperation, not individualism

(b) Scalar Chain

(c) Functional Foremanship

(d) Method Study

Q10. Which of the following statements correctly highlight the difference between delegation and decentralisation?

(A) Delegation is a necessary act arising from division of work, while decentralisation is an optional policy decision.  
(B) In delegation, authority is limited between a superior and subordinate, whereas decentralisation distributes authority to the lowest levels.  
(C) Delegation gives more freedom of action to subordinates than decentralisation.  
(D) Delegation aims to enhance the role of subordinates, whereas decentralisation aims to reduce the workload of the superior.

Choose the correct option:  
(a) (A), (B) only  
(b) (B), (C), (D) only  
(c) (A), (B), and (D) only  
(d) (A), (C), and (D) only

Solutions

S1. Ans. (c)

Sol. Planning involves setting objectives and determining a course of action to achieve those objectives. Mr. Sharma's outlining of the 25% increase in installation capacity for the next fiscal year is a clear example of establishing a future goal and direction for the company.

S2. Ans. (b)

Sol. Organising involves structuring the resources and activities of the organization to achieve its goals. Ms. Verma's grouping of teams geographically and assigning service areas is a way of structuring the workforce and allocating tasks to ensure efficient operations.

S3. Ans. (d)

Sol. Staffing involves ensuring that the organization has the right number of people with the right skills at the right time. Mr. Khan's task of determining personnel needs and initiating recruitment directly aligns with the staffing function.

S4. Ans. (b)

Sol. Directing involves leading, instructing, and motivating employees to perform their tasks effectively. Mr. Singh's explanation of protocols and provision of training are key aspects of guiding and influencing the new teams' work.

S5. Ans. (c)

Sol. Controlling involves monitoring actual performance against established standards and taking corrective action when necessary. Ms. Das's system for tracking installations against targets and identifying deviations is a classic example of the controlling function.

S6. Ans. (b)

Sol.

|  |  |
| --- | --- |
| List I | List II |
| A. Planning is Pervasive | I. It is required at all levels of management and in all departments of the organisation. |
| B. Planning is Continuous | IV. Plans are prepared for a specific period, and at the end of that period, new plans are drawn based on new requirements and future conditions. |
| C. Planning is a Primary Function | III. It lays down the base for other managerial functions. |
| D. Planning is Futuristic | II. It involves looking ahead and preparing for future events to the best advantage of an organisation. |

S7. Ans. (a)

Sol. The Correct Sequence is:

(D) Estimating the manpower requirements

(A) Recruitment

(E) Selection

(C) Placement and Orientation

(B) Training and development

S8. Ans. (d)

Sol. The correct match is given below:

|  |  |  |  |
| --- | --- | --- | --- |
|  | List I |  | List II |
| A. | Right to safety | IV. | Protection against goods and services |
| B. | Right to be choose/ assured | I. | Freedom to access variety of products |
| C. | Right to be informed | III. | Complete details of the product/service |
| D. | Right to seek redressal | II. | Get remedy/relief against unfair trade practices |

S9. Ans. (b)

Sol. Scalar Chain: This is one of Henri Fayol's 14 Principles of Management. It refers to the formal line of authority and communication that moves step-by-step from the top to the bottom of the organization.

S10. Ans. (a)

Sol.

* Statement (A): Correct. Delegation is necessary due to the impossibility of one person doing all tasks, whereas decentralisation is optional and based on a policy decision.
* Statement (B): Correct. Delegation involves a narrow scope between superior and subordinate, while decentralisation involves systematic distribution of authority to the lowest levels.
* Statement (C): Incorrect. Delegation gives *less* freedom of action to subordinates as control remains with the superior.
* Statement (D): Incorrect. The aims are reversed — delegation aims to reduce the workload of superiors, while decentralisation enhances the role of subordinates.