

Controlling

Question 1.

Which of the following is not applicable to responsibility accounting

- (a) Accounting centre
- (b) Cost centre
- (c) Profit centre
- (d) Investment centre

▼ [Answer](#)

Answer: (a) Accounting centre

Question 2.

Management control is done by the _____

- (a) Managers at Top Level
- (b) Managers at Middle Level
- (c) Managers at Lower Level
- (d) All of the above

▼ [Answer](#)

Answer: (d) All of the above

Question 3.

What will be the corrective action for defective machinery?

- (a) Sell at the book value
- (b) Sell at a loss
- (c) Sell at a profit
- (d) Repair or Replace the machine

▼ [Answer](#)

Answer: (d) Repair or Replace the machine

Question 4.

Which of the following is not a technique of controlling?

- (a) Break-even analysis
- (b) Budget
- (c) Managerial Audit
- (d) Cash Flow Statement

▼ [Answer](#)

Answer: (d) Cash Flow Statement

Question 5.

Technological up-gradation is the best corrective action in case of _____

- (a) Defective machinery
- (b) Defective material
- (c) Obsolete Machinery
- (d) None of the above

▼ [Answer](#)

Answer: (c) Obsolete Machinery

Question 6.

What will be the corrective action for defective material?

- (a) Change in Quantity
- (b) Change in Price
- (c) Change in Quality Specifications for the material used
- (d) None of the above

▼ [Answer](#)

Answer: (c) Change in Quality Specifications for the material used

Question 7.

An efficient control system helps to

- (a) Judges accuracy of standards
- (b) Accomplishes organisational objectives
- (c) Boosts employee morale
- (d) All of the above

▼ [Answer](#)

Answer: (d) All of the above

Question 8.

Controlling is _____ aspect of management.

- (a) Physical
- (b) Practical
- (c) Mental
- (d) Theoretical

▼ [Answer](#)

Answer: (b) Practical

Question 9.

What is the last step in the controlling process?

- (a) Setting Performance Standards
- (b) Taking corrective action

- (c) Comparing actual performance with standards
- (d) Measurement of actual performance

▼ [Answer](#)

Answer: (b) Taking corrective action

Question 10.

Why actual performance is compared with standards?

- (a) To take corrective action
- (b) To improve the quality of material
- (c) To change the machinery
- (d) None of the above

▼ [Answer](#)

Answer: (a) To take corrective action

Question 11.

Controlling is _____

- (a) Economical
- (b) Costly
- (c) Free
- (d) Very Cheap

▼ [Answer](#)

Answer: (b) Costly

Question 12.

Which of the following is a limitation of controlling?

- (a) Controlling improves employee motivation
- (b) Controlling is goal-oriented
- (c) Controlling is expensive
- (d) Controlling ensures order and discipline

▼ [Answer](#)

Answer: (c) Controlling is expensive

Question 13.

The main focus of controlling is on _____

- (a) Competition
- (b) External Forces
- (c) Results
- (d) Business Environment

▼ [Answer](#)



Answer: (c) Results

Question 14.

Management audit is a technique to keep a check on the performance of

- (a) Company
- (b) Management of the company
- (c) Shareholders
- (d) Customers

▼ [Answer](#)

Answer: (b) Management of the company

Question 15.

When actual performance is better than the standard performance it is called _____

- (a) Negative Deviation
- (b) Poor Deviation
- (c) Positive Deviation
- (d) None of the above

▼ [Answer](#)

Answer: (c) Positive Deviation

Question 16.

Controlling is necessary for _____

- (a) Medium Level Enterprise
- (b) Small Scale Enterprise
- (c) Large Scale Enterprise
- (d) All of the above

▼ [Answer](#)

Answer: (d) All of the above

Question 17.

There is one popular saying that Planning is looking _____ while controlling is looking

- (a) Back, Ahead
- (b) Ahead, Back
- (c) Future, Present
- (d) None of the above

▼ [Answer](#)

Answer: (b) Ahead, Back



Question 18.

Budgetary control requires the preparation of

- (a) Budgets
- (b) Network diagram
- (c) Responsibility Centres
- (d) Training schedule

▼ [Answer](#)

Answer: (a) Budgets

Question 19.

Which of the following is not correct?

- (a) Controlling is goal-oriented
- (b) Controlling is a pervasive function
- (c) Controlling can prevent deviation
- (d) Controlling ensures order and discipline

▼ [Answer](#)

Answer: (c) Controlling can prevent deviation

Question 20.

What is the first step in the controlling process?

- (a) Comparing actual performance with standards
- (b) Analysing deviations
- (c) Setting performance standards
- (d) Measurement of actual performance

▼ [Answer](#)

Answer: (c) Setting performance standards

Question 21.

What are the techniques of measurement of performance?

- (a) Performance reports
- (b) Sample Checking
- (c) Personal Observation
- (d) All of the above

▼ [Answer](#)

Answer: (d) All of the above

Question 22.

Which of the following is a technique of controlling?

- (a) Managerial Audit
- (b) Break-even analysis



- (c) Budget
- (d) All of the above

▼ [Answer](#)

Answer: (d) All of the above

Question 23.

The controlling function of an organisation is

- (a) Forward as well as backward looking
- (b) Backward looking
- (c) Forward-looking
- (d) None of the above

▼ [Answer](#)

Answer: (a) Forward as well as backward-looking

