

8.1 Introduction -

8.1.1 Meaning

8.1.2 Definition

8.2 Characteristics of Management**8.3 Levels of Management****8.4 Management as an Art, Science and Profession****Distinguish Between****Summary****Exercise**

Recently Shalvi completed her MBA in Finance. Her father is running their traditional family grocery shop. She got selected in renowned company but she has decided to join their family shop instead of job. When she joined the business, she realized that there is a tremendous scope for changes in management policies and administration. She found that they had under utilized space, had limited variety of grocery, untrained staff, less monitoring of working hours of staff, old fashioned heavy arrangements of material, traditional billing method etc. On the contrary she found that they had very loyal and sincere staff that are ready to learn new ways of dealing in the business. She had quality discussion with her father about necessity of some changes in current style of business and then made a complete makeover of the shop by applying management and marketing policies.

They arranged the goods into different sections, used modern type of furniture, added products other than grocery and displayed in very attractive way. They installed CCTV, bar code system for billing and provided training to their staff for its use. They declared discounts, offers, free home delivery facility etc. to consumers. Staff were assured of 5% to 10% extra remuneration depending on their performance. After this, the shop has taken a form of modern departmental store.

As a result of all such changes, the business expanded and profit increased. Her father and all family members thought it was a miracle and everyone appreciated Shalvi's efforts. But Shalvi said to her father that it was not a miracle. It happened just because of the use of appropriate management principles and policies.

8.1 INTRODUCTION

Management is the key word of today. In our day to day life, many times we come across this word with different meaning. The common objectives of our families are to fulfill the needs and

desires of all family members in a satisfactory way. For achieving these objectives, every month, the Head of the family keeps continuous attention in making balance between their total expected expenditures, savings for safety and security of whole family and their earnings. If they are not able to make proper plan for this objective and its application accordingly, definitely it will affect on all the family members negatively. For balancing these things effectively, they are using various techniques and methods such as budget, classification of needs, arrangement of resources, proper decisions and review at the end of the month etc. along with all family members. Whatever efforts they are taking to achieve their objectives is called as management. Similarly, we can observe all such aspects in every business organization

Management is an ancient activity. Since the earliest stage of evolution of mankind i.e. living at specific place in a group to conduct activities like cultivation, fishing, hunting etc. we could observe the existence of management. In short, whenever there is a group activity, management is required. The importance of management has been underlined in all civilizations.

Management is indispensable in all organizations whether it is a business firm, a government, a hospital, a college or a club etc. Management is a creative force which helps in the optimum utilization of resources.

8.1.1 MEANING

The English verb “manage” comes from the Italian word ‘maneggiare’ (to handle, especially tools or a horse), which derives from the two Latin words ‘manus’ which means hand and ‘agere’ which means to act.’ The traditional concept of management was limited to complete the activity. But in modern days, the meaning and scope of management has widened to a greater extent. The exhaustive concept of management includes various aspects of handling the activities, managing the human resources and managing the situations. Management is universal in nature. Every organization requires making timely decisions, procurement of resources like men, money, material and method, coordination of activities, leading the people, evaluation of performance and taking corrective actions. On this context, it is important to know the definition and meaning of the term ‘Management.’

8.1.2 DEFINITION

❑ **Following are some of the important definitions of management:**

1. **Mary Parker Follet**

“Management is an art of getting things done through others.”

According to this traditional definition, management focuses on completing the work through workforce. However, management of other resources such as material, machine etc. has not been considered in detail in this definition.

2. **Henry Fayol**

“To manage is to forecast and plan, to organize, to command, to coordinate, and to control.”

In this definition, Henry Fayol has emphasized on different functions of management to achieve the goal in a systematic manner. While doing the given task, employees need proper directions about how to work and co-ordination of all the activities is also equally important.

3. **Fredrick Winslow Taylor**

“Management is knowing exactly what is to be done and seeing that it is done in the best possible manner.”

As per this definition, management is considered as a science. The author says that manager should have exact knowledge about organizational goals and with optimum utilization of available resources the goal should be achieved in a best way.

4. **George Terry**

“Management is the process consisting of planning, organizing, actuating and controlling, performed to determine and accomplish the objectives by the use of people and resources”

The definition considers that management is the synchronization of all functions with the help of utilization of all available resources efficiently and achieving the desired goal. The role of a manager is to plan, to organize the resources, to implement and to control the employees.



Activity

- Collect more definitions of management authored by various management thinkers such as Peter Drucker, Stephen R. Covey with the help of reference books and authentic websites.
- Prepare a scrapbook of this collected information which you can use it for your own reference for further study. Wherever necessary, take the guidance of your teacher.

8.2 CHARACTERISTICS OF MANAGEMENT

Management has the following characteristics:

1. **Management is Goal Oriented:** Management is a purposeful activity which is done to achieve a specific goal. When organization achieves the goal, it is called as a success of that organization. This success depends on proper management of all resources. For example, a game is played to win, a business is carried on to earn profit, a government functions to look after the overall administration of a country etc. These goals are decided before conducting the activity and manager takes the effort to achieve these goals. So management is a goal oriented activity.
2. **Management is a Group Activity:** Management is done for coordination of all resources effectively and efficiently. The activities are done by a team or a group under the guidance of a manager. We have seen this in the definition of management that management means getting things done through the others as well as the decisions are taken by the group i.e. the shareholders or board of directors of the organization for the group i.e. employees.
3. **Management is Intangible:** Management is not a separate function of organization. These are the collective efforts of manager or a group leader. Management is continuously working on synchronization of planning, organizing, decision making, directing, and controlling which cannot be seen physically. However, the results of best management can be experienced in the form of increased profit, smooth functioning of the organization, achievement of the desired goal etc.
4. **Management is a Continuous Process:** Continuity is an integral part of management. It is essential throughout the life of organization. Management is necessary to begin the activity, to run the activity smoothly and to control the activity.

This is never ending process. Just like the breath is essential to survive, management is essential for the survival of the organization.

5. **Management is Situational:** Management includes techniques like forecasting which helps in taking timely and appropriate decisions to handle a particular situation. So definitely the decisions should be based on some principles, techniques and theories of management. While taking the decision situational priorities and conditions are taken into consideration. The technique useful in one situation may not be used in another situation.
6. **Management is Universal:** Management is universal in character. The principles and theories of management are equally applicable to everywhere and in every field such as defence, government administration, business, profession, education, hospital, politics, and social activities and even in family functioning. These principles are guidelines which are flexible and capable of adaptation to every type of organization where the efforts of human resources are to be coordinated.
7. **Management is Dynamic:** Management is dynamic and not static in character. It deals with human efforts, different situations and different activities. It adopts changes in the form of technological change, socio-economical change, political change, environmental change, change at international level and change in business pattern, etc. to achieve the goal. The adaptation of computers in the place of typewriters, the financial transactions through electronic mode, e-filing of data are the few examples which characterizes that management is dynamic.

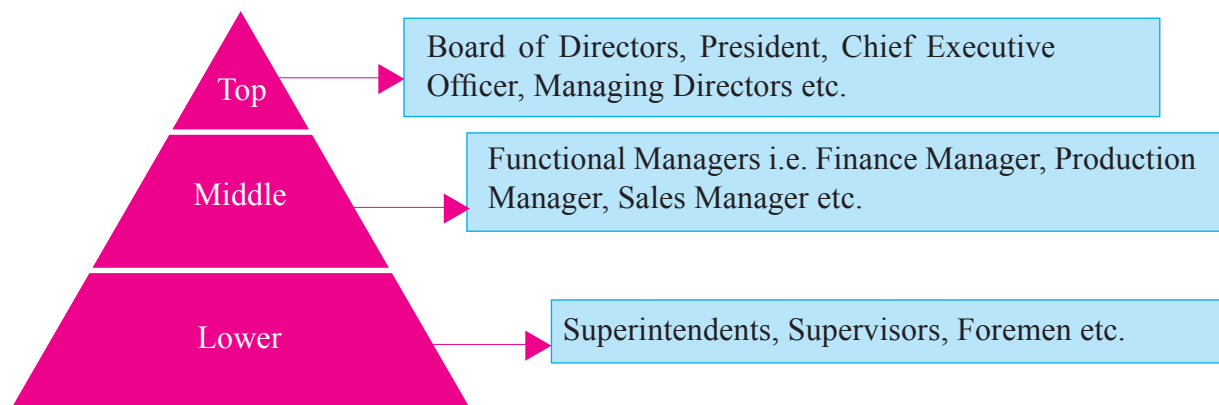
8.3 LEVELS OF MANAGEMENT

“Organization is a group of persons who work together to achieve a common goal”. In this process, various people work together according to their position, qualities and skills under the management of specific person or a group of persons. However, the size of every organization is not same. Some organizations are small, some are medium and some are large. The style of managing the organization may differ for all these scales but classification of all human resources into different groups is essential for the organization.

In case of small organization e.g. traditional grocery shop or stationery shop, the classification is simple. But in a large scale organization, such classification process is complicated. Therefore, it is done by making different parts in the organization.

These parts are called as Levels of Management. The levels are made according to the size and requirement of the organization. Usually there are three levels of management.

LEVELS OF MANAGEMENT



❑ **Top Level Management:**

This is the ultimate authority in the organization which includes Board of Directors, President, Chief Executive Officer, Managing Directors etc. Top level management frames the vision, mission and long term objective of the organization and decides the policy to achieve the objectives.

The functions of Top Level Management are as follows:

1. To decide the long term objectives of the organization.
2. To frame the plans and policies to achieve objectives.
3. To see that the policies are properly implemented.
4. To create various departments and positions.
5. To appoint the In charge or head i.e. managers at middle level management and give them directions to carry out different activities.
6. To evaluate the performance of various departments and human resources.

❑ **Middle Level Management:**

It is a level between the top level and lower level of management which works under top level authorities. It is concerned with the implementation of plans and policies which are decided by the top level management. It includes In charge or Head of various departments e.g. Finance Manager, Production Manager, Sales Manager, Human Resources Manager, Marketing Manager etc. They work on getting things done which are decided by top level managers with the help of lower level of management.

The functions of Middle Level Management are as follows:

1. To link between the top and lower level management.
2. To understand the plans and policies framed by top level management.
3. To prepare the plan of action according to the nature of the department in accordance with achieving the goals of overall organization.
4. To assign the duties and responsibilities to the staff working in the department.
5. To train the staff for carrying out different activities in future.
6. To appoint lower level staff.
7. To give timely report to top level management and coordinate the departmental activities.

❑ **Lower Level Management:**

Lower level management works under middle level management. It is also called as operational or supervisory level of management. It includes Superintendents, Supervisors, Foremen and other Junior Executives.

The functions of Lower Level Management are as follows:

1. To work as per the instructions from middle level management or In charge of the department.
2. To assign work to the subordinates.
3. To give instructions to subordinates.
4. To direct the subordinates wherever necessary.
5. To solve the problems and settle the disputes of the subordinates.
6. To look after the repairs and maintenance of machinery, tools and equipments etc.
7. To conduct quality check of the product or service from time to time.



Activity

Levels of Management

Topic : Big Bazaar

Make three groups of the students to play the role of levels of management. First group should be of top level managers, second should be of middle level and third should be of lower level staff. Let them express their views and ideas on their roles and functions.

8.4 MANAGEMENT AS AN ART, A SCIENCE AND A PROFESSION

Management is universal in nature. It exists everywhere. It is an inherent part of every type of organization. On this context, it is said that without effective management, it is difficult to achieve the goal. It is difficult to decide the exact nature of management. It changes according to the change in direction of its application. It looks different from different dimensions. Therefore, it is essential to study management separately from these all three dimensions which are as follows: as an art, as a science and as a profession.

Management as an Art:

What is an art?

“Art is the bringing about a desired result through the application of skills” An art is also creative ability and innovativeness of a person. This is inborn or natural quality of a person. However, with the help of proper education and practice one can develop the quality or qualities. Singing, dancing, acting, sports, drawing, skating, cycling, horse riding, directing the plays or movies, musician, magician etc. comes under the term ‘art’. In short, an art can be defined as a way of performance of inborn quality or a skill in which there is no compulsion of having a specific educational qualification. The result of an art may be different from person to person though they perform with the same quality or skill. That is the reason that every female singer cannot perform like Asha Bhosale or every cricket player cannot perform like Sachin Tendulkar.

□ **The relation between Art and Management can be studied with the help of following points:**

1. **Personal Skills:** Every manager has to handle different situations, has to solve the resource problems, has to handle human resource etc. with his own style. This style differs from manager to manager and so the result. This is because of the difference in skill set and ability of a person.
2. **Creativity:** It refers to the ability to find new ideas on one's own to create something innovative. Manager finds out new ways to conduct the activities and achieves the desired goal. He develops new ideas according to the changes in business situation and in the business environment.
3. **Regular Practice:** To develop any skill as an art needs consistent practice. Similarly manager tries to practice managing the things by using different techniques and skills to get perfection in it. Definitely this practice enables the manager to deal with different situations, different people and different organizations.

4. **Personal Abilities:** Abilities of every person are different like skills. Manager uses his or her own abilities. With these abilities, manager coordinates the activities and guide people to achieve their goals.

Thus from the above discussion it is clear that manager need to be creative and skilled like an artist.

Management as a Science:

“Science refers to a systematically organized body of knowledge based on proper findings and exact principles and is capable of verification.” Any knowledge which is scientifically developed and consists of universally accepted principles is a science. e.g. Physics, Chemistry etc. In organisation, managers need to use various techniques and theories to stimulate the people for quality output such as planning, motivation, direction, control etc. It universally gives the results in similar direction. Therefore, it is also termed as a science.

□ The relation between Science and Management can be studied with the help of following points:

1. **Systematic Body of Knowledge:** Science is based on systematic experiments, certain rules and principles. Management principles and functions are also based on the experiments which can be studied through different management theories and approaches introduced by various management thinkers.
2. **Use of Scientific Methods of Observation:** In science the conclusions are drawn only on the basis of scientific methods of observation. Management also uses systematic methods for data collection, verification and analysis of that collected data, interpretation of data and then on this basis decisions are taken in the organization.
3. **Cause and Effect Relationship:** Science is based on cause and effect relationship. After using specific formulae or combination, one can get particular result in science. Management theories are also based on such relationships e.g. an appropriate salary and healthy working conditions motivate people to work hard and to give best results. On the contrary, old conditions of machinery affects on speed of output of product etc.
4. **Universal Applicability of Principles:** Scientific principles can be applied in all similar situations anywhere. This universality offers same result of principles anywhere. Similarly principles of management are universal. It can be applied in any condition and situation.

These points make it clear that the characteristics of science can be observed in management. Hence, management is a science. However, management is not a pure science like Mathematics or Chemistry in which results are accurate and quantitative in nature. Management considers the observations of human factor so it is a social science in which results can be observed in same direction, moreover qualitative in nature.

Management as a Profession:

“A profession may be defined as an occupation backed by specialized knowledge and training and to which entry is regulated by a representative body and duly recognized by the society.” Teacher, Doctor, Lawyer, Chartered Accountant come under the term profession. Modern approach has offered the status to management as an emerging profession. In this globalization phase, various academic schools have started management degree courses. e.g. Indian Institute of Management (IIM), PUMBA (Savitribai Phule Pune University’s MBA) etc. These courses have been developed by taking into consideration the need of management of organizations. Now a days, people choose management as a career. They acquire the required knowledge of the profession and train themselves for the managerial job.

□ **The relation between Profession and Management can be studied with the help of following points:**

1. **Formal Education:** Profession needs formal education. Today's managers are also qualified with management diploma or degrees. They take formal training from management schools which helps them to work professionally.
2. **Code of Conduct:** Code of conduct means well set rules and regulations to be followed by the professionals practicing in that field. Every profession has such code of conduct to control on the ethics of concerned profession. Lawyer has to follow the code of conduct framed by Bar Council of India, Architect has to follow the code of conduct framed by Council of Architects, Chartered Accountant has to work according to Institute of Chartered Accountants of India (ICAI) etc. However, for managers there is no such association of managers. Generally managers follow the code of conduct based on customs and traditions.
3. **Expertise:** A professional is an expert in his or her field who has knowledge acquired through formal education. By practicing, they get a skill required for that profession. Manager also becomes an expert by practicing his or her knowledge and skills.
4. **Registration:** Professionals need to register themselves with their associations i.e. In India, Chartered Accountants register themselves with Institute of Chartered Accountants of India. Without certificate they cannot carry out practice. In case of managers, there is no such body to register themselves. However, managers can take the membership of Chambers of Commerce which give them benefits.
5. **Restricted Entry:** The entry in any profession is restricted. It needs a formal education e.g. Doctor, Lawyer, Chartered Accountant etc. However, such compulsion is not there for becoming a manager.

On the basis of above discussion, it is very difficult to say whether management is a profession or not. Management does not require any formal education, there is no separate governing body of regulation and there is no separate code of conduct for managers. Anyone who wants to run any business can work as a manager irrespective of formal education. Therefore, till the date, management has not received recognition as a Profession like Doctor, Lawyer, Teacher, Chartered Accountants etc.

From the above discussion it can be concluded that management is a combination of An Art, a Science and a Profession. It cannot be considered as only Art or only Science or only Profession. It is a combined activity.

A manager has to use his or her own skills in the form of innovative ideas, smart techniques and creativity to solve situational problems and achieve the goals. It means management is an art.

A manager has to work on the problems of organization by applying different principles, different techniques based on different theories. Conclusions are drawn after collecting and analyzing data. It means management is a science.

Now a day's people are adopting management as a career. They can take formal education and training of management and can work as a manager of an organization. There are behavioral rules based on customs and traditions which can be called as their code of conduct. It means management is a profession.

From the above points it can be concluded that management is a combination of an Art and Science. It is adopted as a Profession now days.



Activity

Group Discussion

Topic: Management as an Art or Science?

- Make two groups of the students and let one group to speak in favor of the topic and another in opposite of the topic.
- At the end of activity teacher will help the students to draw conclusions.

□ Distinguish between

Top Level, Middle Level and Lower Level

Sr. No.	Point of difference	Top Level	Middle Level	Lower Level
1)	Meaning	Top level refers to top position in the organization such as Board of Directors, CEO, President etc.	Middle level refers to middle positions in the organization such as Departmental head or functional managers such as Finance manager, Production manager etc.	Lower level refers to lower positions in the organization such as supervisors, foremen.
2)	Nature of Work	It is concerned with framing plans and policies of the organization.	It is concerned with implementation of policies framed by Top Level Management with the help of Lower Level staff.	It is concerned with actual execution of planning.
3)	Skills	Top Level requires conceptual or decision making skills than technical skills.	It requires combination of conceptual and technical skills.	Lower Level requires more technical skills than other skills.
4)	Promotion Policy	At top Level, promotion is given on merit.	At this level, promotion is based on merit as well as seniority basis	At this level, for promotion seniority is preferred.
5)	Time Frame	Top Level considers longer period of time i.e. 5 to 20 years.	It considers medium term i.e. 1 to 5 years	It considers very shorter term i.e. up to 1 year.

6)	Responsibility	Top Level is responsible to Shareholders, Government and Society.	It is responsible to Top Level Management	It is responsible to Middle and Top Level Management
7)	Flow of orders	Orders and instructions are passed to Middle Level.	Orders and instruction are passed to Lower Level and report of the work is submitted to Top Level.	Implementation is done as per the orders and reports are submitted to Middle Level.

SUMMARY

□ Meaning and Definition

- Management is an activity which is essential in every walk of life.
- The word Management is originated from the two Latin words 'manus' which means hand and 'agere' which means to act.
- Management is an art of getting things done through others.
- Management is the coordination of resources through the process of planning, organizing, directing and controlling in order to attain desired goals.

□ Characteristics of Management

1. Management is Goal oriented
2. Management is a Group Activity
3. Management is Intangible
4. Management is a Continuous Process
5. Management is Situational
6. Management is Universal
7. Management is Dynamic

□ Levels of Management

There are three levels of management:

- **Top Level:** It decides the long term objectives of organization and frame the plans and policies and take decisions.
- **Middle Level:** It works under top level management. This level is concerned with implementation of plans and policies in the organization with the help of Lower level management.
- **Lower Level:** It is a supervisory level of management which consists of superintendents, supervisors, foreman and junior executives. They get instructions from the authorities and direct subordinates wherever necessary.

❑ Management as an Art, Science and Profession

Management is an art because it involves skill of individual, innovativeness, creativity, regular practice and personal abilities.

Management is a science because it is a systematic body of knowledge and scientific methods. The principles of management are universal.

Management is also a profession. Management professionals have adequate knowledge and ability which is helpful to handle different situations. They are trained people having formal education in management schools and have a code of conduct.

❑ Career Opportunities

Further Courses available after Graduation in commerce :

M. Com., MBA, DBM, PGDM etc.

• Career in-

A) Managerial jobs in all types of organization at global level in various sectors:

- 1 Finance 2. Human Resource Development 3. Marketing 4. Information Technology
5. Production 6. Logistics 7. International Business 8. Banking Sector etc.

B) Self Employment

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EXERCISE

Q.1 A) Select the correct option and rewrite the sentence.

- 1) Management is
a) dynamic b) static c) selective
- 2) Management uses method of observation.
a) unscientific b) artificial c) scientific
- 3) To help top level management in co-ordinating the activities is the function of level management.
a) middle b) lower c) top

- 4) To look after maintenance of machinery is the function of level management.
a) top b) middle c) lower
- 5) Management is..... oriented action.
a) policy b) profit c) goal

B) Match the pairs.

Group 'A'		Group 'B'	
A)	Management	1)	Need of creativity
B)	Management as a professtion	2)	Can be seen
C)	Top level management	3)	Administration
D)	Management as an art	4)	Intangible
E)	Lower level management	5)	Formal education
		6)	Policy framing
		7)	Implementation of policies
		8)	Selective
		9)	Directing subordinates to complete the task
		10)	Cause effect relationship

C) Give one word / phrase / term for the following sentences.

- The art of getting things done through others.
- The second level of Management.
- Systematic body of knowledge.
- The level of management related to Managing Director
- Level of management that link top level and lower level management.

D) State True or False.

- Management is an ancient activity.
- Management is not objective oriented.
- In small organization also management is required.
- Middle level management forms policy of an organization.
- Various principles and techniques are used in management.

E) Find the odd one.

- Management is an art, a science, commerce, a profession.
- Singer, Actor, Dancer, Doctor.
- Doctor, Chartered Accountant, Lawyer, Singer.
- Lower level, Middle level, Top level, High level.
- Board of Directors, President, Purchase Manager, Chief Executive Officer (CEO).
- Departmental Head, Finance Manager, Production Manager, Supervisor.
- Supervisor, Foreman, Finance Manager, Office Supertendent.

F) Complete the sentences.

- 1) The English verb 'manage' came from the Indian word
- 2) To manage is to forecast, to plan, to organize, to command, to co-ordinate and to
- 3) Organization is a group of person who work together to achieve a
- 4) Link between the top level and lower level of management is called as
- 5) Lower level management works under
- 6) Art is the bringing about a desired result through the application of
- 7) Any knowledge which is scientifically developed and consists of universally accepted principles is known as a
- 8) Science is based on systematic experiments, on certain rules and on
- 9) Teacher, Doctor, C. A., Lawyer comes under the term

G) Complete the following table.

A		B
1)	Top level
2)	Lower level
3)	Middle level
4)	Doctor
5)	Singer

(Fiance Manager, Art, CEO, Profession, Supervisors)

H) Answer in one sentence.

- 1) What is called as management?
- 2) Name the levels of management?
- 3) What is Top level management?
- 4) What do you mean by Middle level management?
- 5) What is lower level management?
- 6) What do you mean by an art?
- 7) What is seience?
- 8) What is the meaning of a profession?

I) Arrange in proper order.

- 1) Middle level management, Top level management, Lower level management.
- 2) Departmental Head, CEO, Supervisor, Managing Director.
- 3) Office clerk, Shareholders, Managing Director, Board of Directors.

J) Correct the underlined word and rewrite the following sentence.

- 1) Management is only an art.
- 2) There are five levels of management.
- 3) Lower level management works under top level management.

- 4) Middle level management works under lower level management.
- 5) Management is a pure science.
- 6) The entry in any profession is not restricted.
- 7) Professionals need informal education.

Q.2 Explain the following terms/concepts.

- 1) Top level management
- 2) Middle level management
- 3) Lower level management

Q.3 Study the following case/situation and express your opinion.

- 1) While working in a company, Pranav used to give order to his subordinates about what is to be done and which work is to be done? In this organization, various employees like Pratap are doing their work assigned by Pravin. In this company, Pravin submit his report of work completion to Pranav after completing the work done by the employees like Pratap.
 - i) Identify different levels of management in above mentioned company.
 - ii) Find the level of Pranav in management of company.
 - iii) State the level of management of Pratap in this company.

Q.4 Distinguish between

- 1) Top level management and middle level management.
- 2) Middle level management and lower level management.
- 3) Top level management and lower level management.

Q.5 Answer in brief.

- 1) State any four features of mangement.
- 2) Write any four functions of Top Level Management.
- 3) State any four functions of Middle Level Management.
- 4) State any four functions of Lower Level Management.
- 5) State any two point of relationship about management as an Art.
- 6) Explain any two points of relationship about management as a Science.
- 7) State any two points of relationship about management as a Profession.

Q.6 Justify the following statements.

- 1) Management is essential in professional and non-professional activities.
- 2) Levels of Management depends on the size of organization.
- 3) Management is a group oriented action.
- 4) Management is an art.
- 5) There is no need of registration for managers.
- 6) Management is a continuous process.
- 7) Planning is a task of top level management.

Q.7 Attempt the following.

- 1) State the features of management.
- 2) State management is as a science.
- 3) State the relation between the management and art.
- 4) State the importance of management.
- 5) State the similarities between management and profession.
- 6) State the functions of lower level management.

Q.8 Answer the following.

- 1) What is management ? State the characteristics of management.
- 2) Discuss whether management is an art, science or profession.



Answerkeys

Chapter 1 Introduction of Commerce and Business

- Q. 1 A)** 1) a professional person 2) manufacturing 3) trade
4) professionals 5) secondary 6) transport
7) business 8) profit, 9) society
10) time.
- B)** A - 4, B - 3, C - 5, D - 1
- C)** 1) Business 2) Economic Activities 3) Trade
4) Auxiliaries to trade 5) Construction Industry 6) Industry
7) Commerce 8) Transport 9) Warehousing
10) Profession
- D)** True - 1, 2, 3, 6, 7, 9 False - 4, 5, 8, 10.
- E)** 1) Manufacturing Industry 2) Wholesale Trade
2) Manufacturing 4) Machinery
- F)** 1) earn money 2) Commerce 3) economic
4) business 5) fees 6) Employer
7) Profit 8) form 9) wholesale
10) Retailer
- G)** 1) External trade 2) Import trade 3) Export trade 4) Retailer
- I)** 1) Economic 2) Goods 3) Can not transferred
4) Business 5) Transport 6) Industry
7) earn profit

Chapter 2 Trade

- Q.1 A)** 1) b) Wholesaler 2) a) higher 3) b) large
4) b) last 5) a) manufacturer 6) c) imported by India
7) c) shipping bill 8) b) Peddlers 9) b) Market Traders
10) b) Speciality shop retailers 11) b) Super Market.
- B)** 1) Ans- A-5, B-3, C-4, D-2, E-1
2) Ans A-3, B-1, C-2 D-7
- C)** 1) Itinerant Retailer 2) Retailer
3) Chain stores 4) One price shop
5) Street traders 6) Indent
- D)** True – 1, 7, 6, 9
False – 2, 3, 4, 5, 8

- E)** 1) General stores 2) Market Traders 3) Malls
- F)** 1) barter 2) consumers 3) retailers 4) manufacturers
 5) price 6) credit 7) consumers 8) Supermarket
 9) Chain stores 10) One price shop 11) American 12) foreign
- G)** 1) large 2) in 3) One price shop 4) local
 5) large 6) large 7) single 8) same
- I)** 1) International trade 2) Import 3) High
 4) Retailer 5) Foreign
- J)** 1) producer, wholesaler, retailer, consumer
 2) local market, state market, national market, international market
 3) preliminary state, pre-import stage, Import stage, Post-import stage

Chapter 3 Small Scale Industry and Business

- Q. 1 A)** 1) b) unemployment 2) a) labour 3) a) high
 4) a) business 5) c) labour 6) a) first
 7) a) 40%
- B)** A - 3, B - 1, C - 6, D - 2, E - 8
- C)** 1) Small Scale Industries sector
 2) Small Scale Industries
- D)** True - 1, 4,
 False - 2, 3,
- E)** 1) Spare Parts 2) Sericulture
- F)** 1) Small scale 2) Second 3) low 4) labour
 5) less 6) industrial
- G)** 1) Small manufacturing sector
 2) Micro manufacturing sector
 3) Medium manufacturing sector
 4) Micro services sector
 5) Small services sector
- I)** 1) unemployment 2) labour 3) outdated 4) small
 5) Decision of Business Area
- J)** 1) b – a – d – c

Chapter 4 Forms of Business Organisation - I

- Q. 1 A)** 1) maximum 2) co-parceners 3) karta
 4) compulsory 5) limited 6) law
 7) compulsory 8) limited 9) 1912
 10) Common Seal.

B) A - 4, B - 6, C - 8, D - 3, E - 1

C) 1) Managing Committee 2) Sole Trader 3) Sole trading concern
4) Co-parceners 5) Nominal partner 6) Public Company
7) Partnership Deed 8) Service 9) Co-operatives Society

D) True - 1, 2, 3, 4, 5, 6, 7, 8, 9
False - 10, 11, 12

E) 1) NGO 2) Shareholder

F) 1) Private entities 2) Sole Trading concern 3) Active partner
4) Partnership at will 5) KARTA 6) democracy
7) one member, one vote 8) one share, one vote 9) less
10) consumers 11) 2013

G) 1) Private Company 2) CO-operative Society 3) Public Company
4) Sole Trading Concern 5) Partnership

I) 1) freely 2) two 3) Compulsory
4) maximum secrecy 5) two members 6) KARTA
7) 1932

Chapter 5 Forms of Business Organisation - II

Q. 1 A) 1) a) Annual budget 2) a) Statutory Corporation
3) a) Parliament 4) a) 51 5) a) The President of India
6) a) Comptroller and Auditor General of India 7) a) legal
8) c) Government 9) a) Economical

B) 1) A - 6, B - 1, C - 4, D - 5 E - 3

C) 1) Private Sector Organisations 2) Public Sector Organisations
3) Private Sector 4) Public Sector
5) Public Sector Organisations 6) Departmental Organisation
7) Departmental Organisation 8) Departmental Organisation
9) Departmental Organisation 10) Departmental Organisation
11) Statutory Corporation 12) Statutory Corporation
13) Statutory Corporation

D) True - 1, 2, 4, 5, 7, 8
False - 3, 6, 9, 10

E) 1) Bank of India 2) Bharat Heavy Electrical Limited
3) Dabur 4) Tata Motors

F) 1) legal 2) Departmental Organisation
3) Statutory Corporation 4) Company 5) Economic

H) 1) artificial 2) answerable 3) many 4) no separate existence
5) public sector

Q. 1

A) 1) 1990 2) 1988 3) SIDBI
4) NABARD 5) Shivaraman 6) 1953
7) 1957

B) A - 2, B - 5, C - 1, D - 4, E - 6

C) 1) Finance 2) SIDBI 3) SIDBI
4) SVCL 5) Startup Mitra 6) NABARD
7) Dr. Muhammad Yunus 8) World Bank

D) True - 1, 4, 5, 7, 8, 9
False - 2, 3, 6

E) 1) Finance 2) SIDBI 3) MSME's
4) MSME's 5) 17th March 2016 6) Udyami Mit
7) July 12, 1982 8) 1957 9) Parliament
10) October 1983 11) Dr. Muhammad Yunus 12) 1944
13) Washington D. C. 14) 2006

F) 1) 2nd April, 1980
2) July 12, 1982
3) 1957
4) 1944
5) Oct, 1983

H) 1) Short term and long term 2) agricultural 3) p
4) not compulsory 5) low

Q. 1

A) 1) business 2) 1991 3) political
4) social 5) public, 6) global
7) Globalization 8) warning

B) 1) A - 3, B - 6, C - 9, D - 8, E - 7
2) A - 6, B - 8, C - 1, D - 2

C) 1) External Business environment 2) Social environment 3) Privatization
4) Globalization

D) True - 2, 3, 5,
False - 1, 4, 6, 7

E) 1) External Environment 2) Business Environment
3) Natural Environment 4) Social Environment 5) Political Environment
6) three 7) Privatization 8) Globalization

F) 1) Two 2) Internal 3) Government 4) Socialist

G) 1) Internal factor 2) External factor
3) Natural Environment 4) Globalization

Chapter 8 Introduction to Management

- Q. 1 A)** 1) a) dynamic 2) c) scientific 3) a) middle
4) b) lower 5) c) goal
- B)** A - 4, B - 5, C - 6, D - 1, E - 9
- C)** 1) Management 2) Middle Level 3) Science
4) Top level Management 5) Middle level management.
- D)** True - 1, 3, 5
False - 2, 4
- E)** 1) Commerce 2) Doctor 3) Singer
4) High level 5) Purchase Manager 6) Supervisor
7) Finance Manager.
- F)** 1) managgiare 2) control 3) common goal
4) middle level management 5) middle level Management.
6) skills 7) science 8) principles
9) profession.
- G)** 1) CEO 2) Supervisors 3) Finance Manager
4) Profession 5) Art.
- I)** 1) Top level management,
Middle level management,
Lower level management.
2) CEO,
Managing Director,
Departmental Head,
Supervisor.
3) Shareholders,
Board of Directors,
Managing Directors,
Office Clerk.
- J)** 1) An Art, a commerce and a profession 2) Three level
3) Middle level 4) Top level
5) Social Science 6) restricted
7) formal education

