Introduction to Management – Strategic Management MCQ

Question 1.  
The word “management” derives its origin from a word –  
(A) monos  
(B) konos  
(C) nomos  
(D) lomos  
Answer:  
(C) nomos

Question 2.  
Who stated that management means, “Getting things done through and with people”?  
(A) James  
(B) Koontz and O’Donnell  
(C) Haimann  
(D) Henry Fayol  
Answer:  
(B) Koontz and O’Donnell

Question 3.  
According to whom “to manage is to forecast, and to plan, to organize to command, to coordinate and to command”?  
(A) Haimann  
(B) Koontz and O’Donnell  
(C) Hick  
(D) Henry Fayol  
Answer:  
(D) Henry Fayol

Question 4.  
The word “management” derives its origin from ………….word nomos.  
(A) Roman  
(B) Italian  
(C) Greek  
(D) Egyptian  
Answer:  
(C) Greek

Question 5.  
“Management is the function of getting things done through people and directing the efforts of individuals towards a common objective”. It is observed by –  
(A) Haimann  
(B) Koontz and O’Donnell  
(C) Hick  
(D) Henry Fayol  
Answer:  
(A) Haimann

Question 6.  
Hick defines management as “the process of getting things done by the  and through the  
(A) People, Manager  
(B) People, employee  
(C) People, people  
(D) Manager, People  
Answer:  
(C) People, people

Question 7.  
Koontz & d O’Donnell state that management means, “Getting things done  
(A) Through people  
(B) With people  
(C) Through or with people  
(D) Through and with people  
Answer:  
(D) Through and with people

Question 8.  
According to Henry Fayol, “to manage is …………. , to organize to command, to coordinate and to command”  
(A) To forecast  
(B) To plan  
(C) To budget and to control  
(D) To forecast and to plan  
Answer:  
(D) To forecast and to plan

Question 9.  
Haimann observes that, “management is the function of …………  
(A) Getting things done through people and directing the efforts of individuals towards a common objective.  
(B) Forecast, and to plan, to organize to command.  
(C) The process of getting things done by the people and through the people.  
(D) Thinking and utilizing human, material & financial resources in such a manner that would result in best combination.  
Answer:  
(A) Getting things done through people and directing the efforts of individuals towards a common objective.

Question 10.  
Which of the following is importance of management?  
(1) It arranges the factors of production, assembles and organizes the resources.  
(2) It helps the country to keep balanced approached in social order.  
(3) It utilizes all the physical & human resources productively.  
(4) It helps the employees to get stronger trade union.  
(5) It gets maximum results through minimum input by proper planning and by using minimum input.

Select the correct answer from the options given below –  
(A) (4), (2) & (1)  
(B) (3), (2) & (5)  
(C) (1) & (3)  
(D) (3), (1) & (5)  
Answer:  
(D) (3), (1) & (5)

Question 11.  
Importance of management:  
(A) It enables the organization to survive in changing environment.  
(B) It improves standard of living and increases the profit which is beneficial to business and society.  
(C) Management fills up various positions with right persons, having right skills, training and qualification.  
(D) All of the above  
Answer:  
(D) All of the above

Question 12.  
Which of the following statement is false?  
(A) Management can then well be described as a science albeit a variable one if compared with the nature of exact physical sciences.  
(B) We can have the same kind of experimentation in management as is possible in natural sciences.  
(C) Management has now a theoretical base with a number of principles relating to coordination, organization, decision-making and so on.  
(D) Management is a vital function concerned with all aspects of the working of an enterprise.  
Answer:  
(B) We can have the same kind of experimentation in management as is possible in natural sciences.

Question 13.  
Management is science.  
(A) Exact  
(B) An inexact  
(C) Pure  
(D) Perfect  
Answer:  
(B) An inexact

Question 14.  
Management is science.  
(A) Developed  
(B) Developing  
(C) Well settled  
(D) Exact  
Answer:  
(B) Developing

Question 15.  
Management is -………..  
(A) Science  
(B) Art  
(C) Both science and art  
(D) History  
Answer:  
(C) Both science and art

Question 16.  
Management is an art. Which of the following statement does not support that management is art?  
(A) The process of management involves the use of know how and skills.  
(B) The process of management is directed towards the accomplishment of concrete results.  
(C) The process of management is directed towards the accomplishment of concrete results.  
(D) Management is personalized in the 5 sense that every manager has his own approach to problems.  
(D) It deals with complex human phenomena about which knowledge is still limited  
Answer:  
(D) It deals with complex human phenomena about which knowledge is still limited

Question 17.  
Management qualifies all tests of a profession except  
(A) Dominance of service motive  
(B) Restricted entry  
(C) Systematic body of knowledge  
(D) Use of knowhow and skills  
Answer:  
(D) Use of knowhow and skills

Question 18.  
Who is popularly known as the ‘founder of modem management theory?  
(A) Frederick Taylor  
(B) Luther Gulick  
(C) Newmann and Summer  
(D) Henry Fayol  
Answer:  
(D) Henry Fayol

Question 19.  
Henry Fayol, the ……………. industrialist and popularly known as the ‘founder of modem management theory’,  
(A) German  
(B) French  
(C) Greek  
(D) American  
Answer:  
(B) French

Question 20.  
Planning is deciding in advance – S  
(A) What is to be done  
(B) How is to be done  
(C) When it is to be done  
(D) All of above  
Answer:  
(D) All of above

Question 21.  
Which of the following is the preparatory step for actions and helps in bridging the gap between the present and the future?  
(A) Controlling  
(B) Directing  
(C) Motivating  
(D) Planning  
Answer:  
(D) Planning

Question 22.  
Which of the following comprises determination and laying down of objectives, policies, procedures, rules, programmes, budget, and strategies?  
(A) Motivating process  
(B) Planning process  
(C) Controlling process  
(D) Directing process  
Answer:  
(B) Planning process

Question 23.  
Which of the following is fundamental function of management and all other functions of management are greatly influenced by it?  
(A) Controlling  
(B) Directing  
(C) Motivating  
(D) Planning  
Answer:  
(D) Planning

Question 24.  
……………. is concerned with both the “orderly” assemblage of human and material resources as well as the process of development of a structure of formally identified and distinguished tasks, roles and relationships that may be attributable to the various members so that they may effectively work as a group.  
(A) Planning  
(B) Directing  
(C) Organizing  
(D) Staffing  
Answer:  
(C) Organizing

Question 25.  
Organizing as a function of management involves –  
(A) Determination of activities of the enterprise keeping in view its objectives.  
(B) Laying down of suitable selection and placement procedures  
(C) Guiding, counselling and instructing the subordinates about the proper way of doing the job  
(D) Measurement of actual performance against the standard and recording deviations  
Answer:  
(A) Determination of activities of the enterprise keeping in view its objectives.

Question 26.  
Division of work among people and coordination of their efforts to achieve specific objectives are the fundamental aspects of –  
(A) Forecasting  
(B) Organization  
(C) Motivation  
(D) None of above  
Answer:  
(B) Organization

Question 27.  
provides the organization with adequate number of competent and qualified personnel at all levels in the enterprise.  
(A) Motivation process  
(B) Directing process  
(C) Forecasting process  
(D) HR process/staffing  
Answer:  
(D) HR process/staffing

Question 28.  
Which of the following function of management starts issuing orders and instructions to subordinates and ends with getting things done by satisfaction of various need of subordinates?  
(A) Motivation  
(B) Directing  
(C) Forecasting  
(D) Staffing  
Answer:  
(B) Directing

Question 29.  
Directing the subordinates involves –  
(A) Delegation of authority and fixing of responsibility for carrying out the assigned duties.  
(B) Guiding, counselling and instructing the subordinates about the proper way of doing the job.  
(C) Co-ordination of activities and authority relations throughout the organization.  
(D) Classification of activities into convenient groups for the purpose of division.  
Answer:  
(B) Guiding, counselling and instructing the subordinates about the proper way of doing the job.

Question 30.  
Control –  
(A) Is closely related to the planning job of the manager.  
(B) Should not be viewed merely as a postmortem of past achievements and performance.  
(C) Should suggest corrective measures so that negative deviations may not re-occur in future.  
(D) All of the above  
Answer:  
(D) All of the above

Question 31.  
Maintaining discipline and rewarding effective performance is part of function of management.  
(A) Planning  
(B) Directing  
(C) Forecasting  
(D) Staffing  
Answer:  
(B) Directing

Question 32.  
Which of the following consists in knowing the extent to which actions are in conformity with plans adopted and instructions issued so that errors and deviations are promptly reported and analyzed, and suitable corrective actions taken?  
(A) Forecast  
(B) Planning  
(C) Controlling  
(D) Decision  
Answer:  
(C) Controlling

Question 33.  
Controlling involves:  
(A) Harmonizing the work relations and efforts at all levels for common purpose.  
(B) Innovation because the manager not only adjusts his organization according to future conditions but also attempts to effect changes in these conditions.  
(C) Measurement of actual performance against the standard and recording deviations.  
(D) Issuing orders and instructions.  
Answer:  
(C) Measurement of actual performance against the standard and recording deviations.

Question 34.  
Which of the following is not one of the five elements of management?  
(A) Planning  
(B) Co-ordination  
(C) Centralization  
(D) Command  
Answer:  
(C) Centralization

Question 35.  
Control is closely related to the ………… job of the manager.  
(A) Planning  
(B) Discipline  
(C) Order  
(D) Motivation  
Answer:  
(A) Planning

Question 36.  
Who is popularly known as the father of ‘scientific management?  
(A) Luther Gulick  
(B) Newmann  
(C) Henry Fayol  
(D) Frederick Taylor  
Answer:  
(D) Frederick Taylor

Question 37.  
The scientific management movement early in the ……… century was hailed as a “second industrial revolution”.  
(A) Seventieth  
(B) Eightieth  
(C) Ninetieth  
(D) Twentieth  
Answer:  
(D) Twentieth

Question 38.  
Who is popularly known as the father of ‘modem management theory’  
(A) Luther Gulick  
(B) Newmann  
(C) Henry Fayol  
(D) Frederick Taylor  
Answer:  
(C) Henry Fayol

Question 39.  
How many principles of management have been suggested by the Henry Fayol?  
(A) Ten  
(B) Twelve  
(C) Fourteen  
(D) Fifteen  
Answer:  
(C) Fourteen

Question 40.  
Out of principles of management suggested by the Henry Fayol, ‘Discipline’ is necessary to ensure obedience and respect for –  
(A) Juniors’  
(B) Society  
(C) Superiors  
(D) Older people in society  
Answer:  
(C) Superiors

Question 41.  
“Unity of Command” means –  
(A) An employee shall give orders to one junior only.  
(B) An employee shall receive orders from one senior only.  
(C) An employee shall receive orders from as much senior as possible.  
(D) An employee shall have one plan for every action.  
Answer:  
(B) An employee shall receive orders from one senior only.

Question 42.  
“Unity of Direction” means –  
(A) An employee shall receive orders from one senior only.  
(B) A group of activities with common objectives shall have one head but different plans  
(C) A group of activities with common objectives shall have one head and one plan  
(D) More than one manager should supervise the employees.  
Answer:  
(C) A group of activities with common objectives shall have one head and one plan

Question 43.  
A group of activities with common objectives shall have one head and one plan. This principle is known as –  
(A) Scalar chain  
(B) Unity of discipline  
(C) Unity of command  
(D) Unity of direction  
Answer:  
(D) Unity of direction

Question 44.  
An employee shall receive orders from one senior only. This principle is known as –  
(A) Scalar chain  
(B) Unity of discipline  
(C) Unity of command  
(D) Unity of direction  
Answer:  
(C) Unity of command

Question 45.  
As per Henry Fayol principle of “Subordination”-  
(A) Organizational interest should be subordinate to individual interest.  
(B) Individual interest should be subordinate to general interest.  
(C) Individual should not have any sort of interest at all.  
(D) Organizational interest should be subordinate to national interest.  
Answer:  
(B) Individual interest should be subordinate to general interest.

Question 46.  
Which of the following principle of Henry Fayol refers to superior-subordinate relations?  
(A) Esprit de corps  
(B) Stability of tenure of personnel  
(C) Division of work  
(D) Scalar chain  
Answer:  
(D) Scalar chain

Question 47.  
Fayol’s functions of management include:  
(A) Planning, designating, completing, cooperating  
(B) Punishing, commanding, organizing, coordinating, controlling  
(C) Preparing, commanding, operating, consulting, controlling  
(D) Planning, commanding, organizing, coordinating, controlling  
Answer:  
(D) Planning, commanding, organizing, coordinating, controlling

Question 48.  
Which of the following principle of Henry Fayol emphasizes the need for teamwork?  
(A) Esprit de corps  
(B) Stability of tenure of personnel  
(C) Division of work  
(D) Scalar chain  
Answer:  
(A) Esprit de corps

Question 49.  
Management is system.  
(A) Social  
(B) Close  
(C) An open  
(D) None of the above  
Answer:  
(C) An open

Question 50.  
Scientific management is based on the assumption that –  
(A) Observation would reveal the workers need to be multi-skilled.  
(B) Workers can decide their own methods of performing tasks.  
(C) The scientific observation of people at work would reveal the one best way to do the task.  
(D) Workers would receive a set wage regardless of performance.  
Answer:  
(C) The scientific observation of people at work would reveal the one best way to do the task.

Question 51.  
Administration is concerned with –  
(A) Policy implementation  
(B) Policy making  
(C) Both (A) and (B)  
(D) Neither (A) nor (B)  
Answer:  
(B) Policy making

Question 52.  
Broadly speaking, administration is concerned with –  
(A) Planning  
(B) Organizing  
(C) Motivating and controlling  
(D) Planning and organizing  
Answer:  
(D) Planning and organizing

Question 53.  
Administration is done by –  
(A) Top level management  
(B) Middle level management  
(C) Lower level management  
(D) None of above  
Answer:  
(A) Top level management

Question 54.  
Board of directors of any company is normally concerned with –  
(A) Management  
(B) Administration  
(C) Health of managers  
(D) None of the above  
Answer:  
(B) Administration

Question 55.  
Administration is a process of -………  
(A) Laying down broad policies  
(B) Objectives of the organization  
(C) Either (A) or (B)  
(D) Both (A) & (B)  
Answer:  
(D) Both (A) & (B)

Question 56.  
It is also said that administration is ……….  
(A) Lower level function  
(B) Middle level function  
(C) Top-level function  
(D) None of the above  
Answer:  
(C) Top-level function

Question 57.  
Management includes –  
(A) Administrative management  
(B) Operative management  
(C) Either (A) or (B)  
(D) Both (A) & (B)  
1. An all-pervasive function  
2. Fundamental function  
Select the correct answer from the options given below –  
(A) 2 only  
(B) Neither 1 nor 2  
(C) Both 1 and 2  
(D) 1 only  
Answer:  
(D) 1 only

Question 58.  
Administration can be viewed as:  
(A) Less important than management  
(B) The same thing as management  
(C) Part of management  
(D) Separate from management  
Answer:  
(C) Part of management

Question 59.  
Decision-making skills are required at –  
(A) Top level management  
(B) Middle level of management  
(C) All levels of management  
(D) None of the above  
Answer:  
(C) All levels of management

Question 60.  
Managers require a combination of technical competence, social and human skills and conceptual ability. Technical competence may be defined as:  
(A) The ability to view the complexities of the operations of the organization as a whole, including environmental influences  
(B) The ability to secure the effective use of human resources of the organization  
(C) The ability to apply specific knowledge, methods and skills to discrete tasks  
(D) None of the above  
Answer:  
(C) The ability to apply specific knowledge, methods and skills to discrete tasks

Question 61.  
What type of approach is most frequently identified with Human Capital Management (HCM)?  
(A) Controlling  
(B) Interpersonal and technical  
(C) Formalized, technical and manipulative  
(D) Influencing and manipulative  
Answer:  
(C) Formalized, technical and manipulative

Question 62.  
Which of the following is NOT a measure of a manager’s effectiveness?  
(A) Absenteeism and sickness  
(B) Level of Staff turnover  
(C) Accidents at work  
(D) Speed of promotion through the organization  
Answer:  
(D) Speed of promotion through the organization

Question 63.  
How you will describe the planning as function of management?  
given below –  
(A) 2 only  
(B) Neither 1 nor 2  
(C) Both 1 and 2  
(D) 1 only  
Answer:  
(C) Both 1 and 2

Question 64.  
Planning is deciding in advance –  
(I) What is to be done?  
(II) How is to be done?  
(III) When it is to be done?  
(IV) Who has to do it?  
Select the correct answer from the options  
given below –  
(A) (I)  
(B) (I), (II),  
(C) (I), (II), (III)  
(D) (I), (II), (III), (IV)  
Answer:  
(D) (I), (II), (III), (IV)

Question 65.  
Identify the best definition of planning.  
(A) An integrated process, in which plans are formulated, carried out and controlled.  
(B) Devising ways of achieving the objectives of an organization.  
(C) The core activity of planners and planning departments.  
(D) Setting an organization’s objectives and the means of reaching them.  
Answer:  
(D) Setting an organization’s objectives and the means of reaching them.

Question 66.  
Planning –  
(A) Involves identification and classification of activities of the enterprise  
(B) Involves choosing the proper course of action from among alternatives  
(C) Is based upon individual incentives rather than group incentives  
(D) Give employees fresh insights into their own personalities and it can also help them understand why others sometimes respond as they do.  
Answer:  
(B) Involves choosing the proper course of action from among alternatives

Question 67.  
Which qualities should a person possess to succeed in planning?  
(I) Reflective thinking  
(II) Pondering  
(III) Imagination  
(IV) Farsightedness  
(V) Reflecting  
Select the correct answer from the options given below –  
(A) (I), (III) & (V)  
(B) (IV), (III) & (II)  
(C) (II),(III),(I)&(V)  
(D) (IV), (I) & (III)  
Answer:  
(D) (IV), (I) & (III)

Question 68.  
Limitations of planning:  
(A) Planning is a continuous function of management  
(B) Since the future cannot be predicted with absolute accuracy, premising is always subject to a margin of error and guess-work which are reflected in various plans based on them.  
(C) Planning is an all-pervasive and a primary function of management.  
(D) Planning is the selecting and relating of facts and the making and using of assumptions regarding the future in the visualization and formulation of proposed activities believed necessary to achieve desired results.  
Answer:  
(B) Since the future cannot be predicted with absolute accuracy, premising is always subject to a margin of error and guess-work which are reflected in various plans based on them.

Question 69.  
A statement defines the company’s business, its objectives and its approach to reach those objectives.  
(A) Planning  
(B) Mission  
(C) Forecasting  
(D) Policy  
Answer:  
(B) Mission

Question 70.  
Planning process comprises determination and laying down of –  
(i) Objectives  
(ii) Policies  
(iii) Procedures  
(iv) Rules  
(v) Remuneration  
Select the correct answer from the options given below –  
(A) (i), (ii), (iii), (v)  
(B) (i), (ii), (iii), (iv)  
(C) (i), (ii), (iv), (v)  
(D) (i), (iii), (iv), (v)  
Answer:  
(B) (i), (ii), (iii), (iv)

Question 71.  
The second step involved in planning process is the –  
(A) Evaluation of alternatives  
(B) Formulating derivative plans  
(C) Establishment of planning premises  
(D) Establishing objectives  
Answer:  
(C) Establishment of planning premises

Question 72.  
Which of the following can be treated as internal planning premise?  
(A) Politico-technological conditions  
(B) Socio-economic conditions  
(C) Sales forecast  
(D) Technological changes  
Answer:  
(C) Sales forecast

Question 73.  
Which of the following can be treated as external planning premise?  
(A) Politico-technological conditions  
(B) Marketing plans  
(C) Sales forecast  
(D) Strategic Plans  
Answer:  
(A) Politico-technological conditions

Question 74.  
Identify the correct steps in planning.  
I. Selecting a course of action  
II. Determining alternative courses  
III. Establishing objectives  
IV. Formulating derivative plans  
V. Evaluation of alternatives  
VI. Establishment of planning premises  
Select the correct answer from the options given below –  
(A) III, VI, II, IV, I, V  
(B) VI, III, II, V, I, IV  
(C) III, IV, II, V, I, VI  
(D) III, VI, II, V, I, IV  
Answer:  
(D) III, VI, II, V, I, IV

Question 75.  
Identify correct steps in forecasting.  
I. Analysis of deviations  
II. Forecasting future course of business  
III. Improving the existing forecasting procedure  
IV. Identifying and developing the structure  
Select the correct answer from the options given below –  
(A) II, IV, I, III  
(B) III, I, II, IV  
(C) I, III, IV, II  
(D) IV, II, I, III  
Answer:  
(D) IV, II, I, III

Question 76.  
Statement 1:  
Forecasting does not play any role in planning.  
Statement 2:  
Forecasts are based on postulations and assumptions and, as such, are subject to some amount of guess-work.  
(A) Statement 1 and Statement 2 both are false.  
(B) Statement 1 and Statement 2 both are true.  
(C) Statement 1 is true but Statement 2 is false.  
(D) Statement 2 is true but Statement 1 is false.  
Answer:  
(D) Statement 2 is true but Statement 1 is false.

Question 77.  
Risk cannot be managed unless it is  
(A) Assessed  
(B) Identified  
(C) Measured  
(D) Evaluated  
Answer:  
(B) Identified

Question 78.  
In decision making under different conditions, what is the difference between risk and uncertainty?  
(A) Under risk, information is reliable; under uncertainty, it is not.  
(B) Under risk, choices are clear and the chances of different outcomes can be measured; under uncertainty, neither applies  
(C) Under risk, there is a well defined problem; under uncertainty, the definition is unclear.  
(D) Under risk, probabilities can be measured; under uncertainty, they cannot  
Answer:  
(B) Under risk, choices are clear and the chances of different outcomes can be measured; under uncertainty, neither applies

Question 79.  
Which of the following is not a principle of decision-making?  
(A) Principle of definition  
(B) Principle of evidence  
(C) Principle of identity  
(D) Principle of prudence  
Answer:  
(D) Principle of prudence

Question 80.  
In case of decision making, “diagnosing the real problem implies”  
(A) Analyzing the internal and external factors and discovering relations between them  
(B) Knowing the gap between what exists and what is expected to happen, identifying the reasons for the gap  
(C) Decentralizing routine matters so that top management can concentrate on vital and strategic decisions  
(D) Actual selection of a course of action from among a number of alternatives  
Answer:  
(B) Knowing the gap between what exists and what is expected to happen, identifying the reasons for the gap

Question 81.  
Identify correct steps in decision making.  
I. Identifying the real problem  
II. Discovery of alternatives  
III. Analysis of available alternatives  
IV. Selection of alternatives  
V Communication of decision  
Select the correct answer from the options given below –  
(A) II, IV, I, III, V  
(B) III, I, II, IV, V  
(C) I, III, II, IV, V  
(D) I, II, III, IV, V  
Answer:  
(D) I, II, III, IV, V

Question 82.  
Which of the following is not related with ‘business plans?  
(A) Largely enforced business goals  
(B) The reasons why they are believed attainable  
(C) The plan for reaching those goals  
(D) Changes in perception and branding  
Answer:  
(D) Changes in perception and branding

Question 83.  
Which of the following best expresses the difference between programmed and non-programmed decisions?  
(A) Made by managers who prefer a thinking or technocratic style; made by managers who use judgment and follow intuition  
(B) Have computer routines developed for them; are not computerized  
(C) Handled with decision rules; decision rules cannot be developed  
(D) Occur under certainty or risk; occur under uncertainty or ambiguity  
Answer:  
(C) Handled with decision rules; decision rules cannot be developed

Question 84.  
Identify correct sequence/steps in organizing function of management.  
(I) Delegation of authority and placing of responsibility.  
(II) Identification and classification of activities of the enterprise consistent with its objectives.  
(III) Making provision for effective coordination and establishment of definite lines of supervision.  
(IV) Establishing superior subordinate relationship within the departments.  
(V) Grouping various activities into workable units or departments.  
Select the correct answer from the options given below –  
(A) II, V, I, III & IV  
(B) II, V, IV, I & III  
(C) II, I, V, IV & III  
(D) II, V, I, IV & III  
Answer:  
(D) II, V, I, IV & III

Question 85.  
Which of the following is one of the steps in organizing function of management?  
(A) Identification of opportunities and avoiding or mitigating losses.  
(B) Grouping various activities into workable units or departments  
(C) Structured approach in managing uncertainty related to a threat.  
(D) Promote greater openness in decision making and improves communication  
Answer:  
(B) Grouping various activities into workable units or departments

Question 86.  
Due to which function of management superior subordinate relationships are established?  
(A) Planning  
(B) Decision making  
(C) Organizing  
(D) Controlling  
Answer:  
(C) Organizing

Question 87.  
The total activities of an individual industrial organization may be separated into major functions like production, purchasing, marketing, and financing, and each such function is further sub-divided into various jobs. This is called as –  
(A) Developing relationships  
(B) Determination of objectives  
(C) Identification and grouping of activities  
(D) Risk management  
Answer:  
(C) Identification and grouping of activities

Question 88.  
Which of the following refers to the relationship between people based not on procedures but on personal attitudes, prejudices, likes and dislikes?  
(A) Formal organization  
(B) Informal organization  
(C) Matrix organization  
(D) Project organization  
Answer:  
(B) Informal organization

Question 89.  
Authority may be described as the right of a manager to command –  
(A) Superiors  
(B) Subordinates  
(C) Other manager  
(D) All of above  
Answer:  
(B) Subordinates

Question 90.  
It is that makes the managerial position real and vests in him the power to order his subordinates and secure necessary compliance.  
(A) Authority  
(B) Responsibility  
(C) Accountability  
(D) Duties & obligations  
Answer:  
(A) Authority

Question 91.  
………….. is the obligation of a subordinate to carry out duties assigned.  
(A) Authority  
(B) Responsibility  
(C) Delegation  
(D) Power  
Answer:  
(B) Responsibility

Question 92.  
Which of the following denotes answer ability for the accomplishment of the task assigned by the superior to his subordinate?  
(A) Responsibility  
(B) Accountability  
(C) Power  
(D) Authority  
Answer:  
(B) Accountability

Question 93.  
Which of the following can be delegated?  
(A) Power  
(B) Responsibility  
(C) Accountability  
(D) Authority  
Answer:  
(D) Authority

Question 94.  
Which of the following refers to capacity to influence the behaviour of others and secure obedience?  
(A) Power  
(B) Responsibility  
(C) Accountability  
(D) None of the above  
Answer:  
(A) Power

Question 95.  
Responsibility is exacted while authority flows  
(A) Downward; upward  
(B) Upward; upward  
(C) Upward; downward  
(D) Downward; downward  
Answer:  
(C) Upward; downward

Question 96.  
Arrange the process of delegation in proper from.  
(1) Creation of accountability  
(2) Allocation of duties  
(3) Assignment of responsibility  
(4) Delegation of authority  
Select the correct answer from the options given below –  
(A) (3), (4), (2), (1)  
(B) (2), (3), (4), (1)  
(C) (2), (4), (1), (3)  
(D) (2), (4), (3), (1)  
Answer:  
(D) (2), (4), (3), (1)

Question 97.  
“Principles of exception’ relating to delegation of authority requires that –  
(A) When authority is delegated, responsibility steps in and is coextensive with authority.  
(B) Whether specific or general, written or unwritten, delegation of authority must be very clear in terms of its contents, functional relations, scope and assignments.  
(C) Problems involving unusual matters should be referred upward and decided by higher level executives.  
(D) Specific written delegations help both the manager and the recipient of authority.  
Answer:  
(C) Problems involving unusual matters should be referred upward and decided by higher level executives.

Question 98.  
Principle of “clarity of delegation” required that –  
(A) Only problems involving unusual matters should be referred upward and decided by higher level executives.  
(B) When authority is delegated, responsibility steps in and is coextensive with authority.  
(C) Whether specific or general, written or unwritten, delegation of authority must be very clear in terms of its contents, functional relations, scope and assignments.  
(D) If the manager is able to pass on obligation along with delegation of authority to the subordinates, the rule of single chain of command will be violated.  
Answer:  
(C) Whether specific or general, written or unwritten, delegation of authority must be very clear in terms of its contents, functional relations, scope and assignments.

Question 99.  
As per scalar principal of delegation –  
(A) The delegatee should also be given a clear idea about the tasks assigned, what is expected of the recipient in his own job and how his obligation fits into the general plan.  
(B) Whenever authority is delegated, reponsibility steps in and is coextensive with authority.  
(C) It is expected that the recipient of authority shall make proper use of it and make all the decisions falling within the scope of his authority.  
(D) Subordinates must know who delegates authority to them and to whom matters beyond their own authority must be referred.  
Answer:  
(D) Subordinates must know who delegates authority to them and to whom matters beyond their own authority must be referred.

Question 100.  
As per principle of unity of command of delegation –  
(A) Subordinates must know who delegates authority to them and to whom matters beyond their own authority must be referred.  
(B) In case of delegation, except for the inevitable instances of splintered authority, the right of discretion over a particular activity will flow from a single superior to a subordinate.  
(C) Larger number of decisions and more important of them are made by those occupying higher positions in the organization.  
(D) Delegation of authority is essential in as much as no organization is possible without delegation.  
Answer:  
(B) In case of delegation, except for the inevitable instances of splintered authority, the right of discretion over a particular activity will flow from a single superior to a subordinate.

Question 101.  
Which of the following refers to the tendency to withhold a larger part of formal authority at higher echelons of management hierarchy?  
(A) Delegation of authority  
(B) Decentralization  
(C) Centralization  
(D) Exception principle  
Answer:  
(C) Centralization

Question 102.  
…………. means partial dispersal of authority from central/top management to lower level.  
(A) Delegation of authority  
(B) Decentralization  
(C) Centralization  
(D) All of above  
Answer:  
(B) Decentralization

Question 103.  
Where larger part of the authority is delegated down the levels of management so that decisions are made a near the source of action, such a tendency in the organization is described a –  
(A) Delegation of authority  
(B) Decentralization  
(C) Centralization  
(D) Principle of functional definition  
Answer:  
(B) Decentralization

Question 104.  
The Principles of Unity of Command and Unity of Direction was given by –  
(A) W.F. Taylor  
(B) Lyndall Urwick  
(C) Henry Fayol  
(D) None of the above  
Answer:  
(C) Henry Fayol

Question 105.  
‘Each individual should be given a particular job to do according to his ability and made responsible for that.’ Which step in the organizing process does the sentence relate to –  
(A) Allotment of duties  
(B) Identification and grouping of activities  
(C) Developing relationships  
(D) Integration of activities  
Answer:  
(A) Allotment of duties

Question 106.  
The framework of interrelationships among individuals and departments that describe relationships of reporting and accountability is called –  
(A) Chain of command  
(B) Functional arrangement  
(C) Specialization  
(D) Organizational structure  
Answer:  
(D) Organizational structure

Question 107.  
The formal channel that defines the lines of authority and accountability in a hierarchical organizational structure is called –  
(A) Line positions  
(B) Chain of command  
(C) Staff positions  
(D) Line and staff positions  
Answer:  
(B) Chain of command

Question 108.  
Determining the number of people who are accountable to a single manager refers to –  
(A) Chain of command  
(B) Degree of centralization  
(C) Span of control  
(D) Degree of specialization  
Answer:  
(C) Span of control

Question 109.  
“Span of management’ is often referred to as –  
I. Span of control  
II. Span of supervision  
III. Span of authority  
IV. Span of responsibility  
Select the correct answer from the options given below –  
(A) I  
(B) I, II  
(C) I, II, III  
(D) I, II, III, IV  
Answer:  
(D) I, II, III, IV

Question 110.  
Human Resource Management (HRM) is that part of management which is –  
(A) Concerned with how people at work use the various resources available in organization.  
(B) Concerned with people at work and with their relationship with an enterprise.  
(C) Concerned with how manager effectively use the various resources available in organization.  
(D) Concerned with how manager effectively control the people in organization.  
Answer:  
(B) Concerned with people at work and with their relationship with an enterprise.

Question 111.  
Human Resource Management is often referred to as –  
(A) Peoples Management  
(B) Human Management  
(C) Resource Management  
(D) Personnel Management  
Answer:  
(D) Personnel Management

Question 112.  
Blue-collar workers are  
(A) Working on machines and engaged in loading, unloading  
(B) Clerical employees  
(C) Executive employees  
(D) Contract employees  
Answer:  
(A) Working on machines and engaged in loading, unloading

Question 113.  
White-collar workers are  
(A) Working on machines and engaged in loading, unloading  
(B) Clerical employees  
(C) Executive employees  
(D) Contract employees  
Answer:  
(B) Clerical employees

Question 114.  
The process of searching for prospective employees and encouraging them to apply for the jobs in an organization is known as –  
(A) Selection  
(B) Placement  
(C) Recruitment  
(D) Manpower planning  
Answer:  
(C) Recruitment

Question 115.  
…………. is the process by which candidates for employment are distinguished between those who are suitable and those who are not.  
(A) Manpower planning  
(B) Selection  
(C) Recruitment  
(D) Induction  
Answer:  
(B) Selection

Question 116.  
Training is generally given to ……… in organization.  
(A) Managers  
(B) Middle and lower level people  
(C) Executives  
(D) None of the above  
Answer:  
(B) Middle and lower level people

Question 117.  
Development process is taken for –  
(A) Middle and lower level people  
(B) Manager & executives  
(C) Debtor & creditors  
(D) Chairman & Directors  
Answer:  
(B) Manager & executives

Question 118.  
Which of the following is /are benefits of training?  
(A) It ensures long-term increase in the sales of the organization.  
(B) It helps to reduce the time and cost required to reach the acceptable level of performance.  
(C) It improves the leadership quality of employee.  
(D) It gives employees fresh insights into their own personalities and it can also help them understand why others sometimes respond as they do.  
Answer:  
(B) It helps to reduce the time and cost required to reach the acceptable level of performance.

Question 119.  
Direction starts with issuing …………. to subordinates and ends with getting things done by satisfaction of various needs of subordinates.  
(A) Orders  
(B) Request  
(C) Instructions  
(D) (A) or (C)  
Answer:  
(D) (A) or (C)

Question 120.  
The most important characteristic of direction is –  
(A) Guiding  
(B) Procurement  
(C) Planning  
(D) Thinking  
Answer:  
(A) Guiding

Question 121.  
Which of the following is essential of the directing function of management?  
(A) Identifying the activities and grouping them into convenient classes  
(B) Motivating the subordinates to direct their behaviour in a desired pattern.  
(C) Revise the structure on the basis of assessment of personnel and other resources  
(D) None of the above  
Answer:  
(B) Motivating the subordinates to direct their behaviour in a desired pattern.

Question 122.  
Essential of the directing function –  
(A) Delegation of authority to the executives of the departments  
(B) Identifying and diagnosing the real problem  
(C) Analysis and evaluation of available alternatives  
(D) Maintaining discipline and rewarding effective performance.  
Answer:  
(D) Maintaining discipline and rewarding effective performance.

Question 123.  
Which of the following is not principle of direction?  
(A) Principle of unity of command  
(B) Principle of evidence  
(C) Principle of unity of direction  
(D) Principle of democratic leadership  
Answer:  
(B) Principle of evidence

Question 124.  
Which of the following is not principle of direction?  
(A) Principle of democratic leadership  
(B) Principle of navigational change  
(C) Principle of unity of direction  
(D) Principle of unity of command  
Answer:  
(B) Principle of navigational change

Question 125.  
Which of the following statements about leadership is false?  
(A) Leadership does not necessarily take place within a hierarchical structure of an organization  
(B) Not every leader is a manager  
(C) When people operate as leaders their role is always clearly established and defined  
(D) All of the above  
Answer:  
(C) When people operate as leaders their role is always clearly established and defined

Question 126.  
…………… is a voluntary collective action to serve a common purpose. Whereas is the orderly synchronization of group efforts so as to provide unity of action in the pursuit of common purpose.  
(A) Motivation, Co-operation  
(B) Co-ordination, Co-operation  
(C) Co-operation, Direction  
(D) Co-operation, Co-ordination  
Answer:  
(D) Co-operation, Co-ordination

Question 127.  
Arrange the process of control in proper form.  
(1) Follow through  
(2) Establishment of goals and standards  
(3) Corrective action  
(4) Measurement of actual performance  
Select the correct answer from the option given below –  
(A) (4), (2), (3), (1)  
(B) (2), (3), (4), (1)  
(C) (4), (1), (3), (2)  
(D) (2), (4), (3), (1)  
Answer:  
(D) (2), (4), (3), (1)

Question 128.  
Which of the following is essential of good control system?  
(A) Motivation  
(B) Feedback  
(C) Self control  
(D) All of above  
Answer:  
(B) Feedback

Question 129.  
Organizational control systems:  
(A) Always penalize ethical decision making.  
(B) Rely entirely on formal controls  
(C) May help to embed corporate social responsiveness  
(D) Are just another name for budgeting  
Answer:  
(C) May help to embed corporate social responsiveness

Question 130.  
Consider the following statements: Planning involves –  
1. Forecasting  
2. Choice among alternative courses of action.  
3. Wishful thinking  
4. Decision only by production manager Of these statements:  
(A) 1,2, 3 and 4 are correct  
(B) 1, 3 and 4 are correct  
(C) 1 and 2 are correct  
(D) 2 and 3 are correct  
Answer:  
(C) 1 and 2 are correct

Question 131.  
If a general manager asks the sales manager to recruit some salesman on his behalf, it is an instance of –  
(A) Division of authority  
(B) Decentralization of authority  
(C) Delegation of authority  
(D) Delegation of responsibility  
Answer:  
(C) Delegation of authority

Question 132.  
While delegating, a superior delegates –  
(A) Only authority  
(B) Authority and responsibility  
(C) Authority, responsibility and accountability  
(D) Authority and responsibility but not accountability  
Answer:  
(A) Only authority

Question 133.  
Directing function of management implies  
1. Planning  
2. Staffing  
3. Leadership  
4. Motivation  
Choose the correct answer using the codes given below:  
(A) 1 and 2  
(B) 3 and 4  
(C) 2 and 4  
(D) 2, 3 and 4  
Answer:  
(B) 3 and 4

Question 134.  
Consider the following statements:  
1. Decentralization and delegation are closely interrelated.  
2. Delegation and decentralization both are desirable.  
3. Decentralization is not suitable for large organization.  
4. Delegation is not possible in the case of small organizations.  
Of these statements:  
(A) 1 and 2 are correct  
(B) 2 and 3 are correct  
(C) 1 and 4 are correct  
(D) 1, 3 and 4 are correct  
Answer:  
(A) 1 and 2 are correct

Question 135.  
Delegation of authority is linked to  
(A) Managerial planning  
(B) Management coordination  
(C) Management control  
(D) Scientific management  
Answer:  
(C) Management control

Question 136.  
Decentralization of an organization is commanded on account of which of the following advantages?  
1. Reduced burden on top executives  
2. Development of employees  
3. Improvement of morale  
4. Solves problems of coordination  
Select the correct answer from the options given below.  
(A) 2 and 3  
(B) 1,2 and 4  
(C) 1, 2 and 3  
(D) 3 and 4  
Answer:  
(C) 1, 2 and 3

Question 137.  
When management pays attention to more important areas and when the day to day routine problems are looked after by lower level management, it is known as –  
(A) Management by objectives  
(B) Management by Exception  
(C) Participative Management  
(D) Critical path method  
Answer:  
(B) Management by Exception

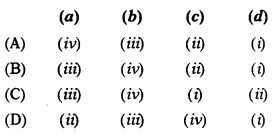
Question 138.  
Staffing includes –  
1. Training  
2. Appraisal  
3. Placement  
4. Directing  
(A) 1 and 3  
(B) 2 and 3  
(C) 1,2 and 3  
(D) 1,2, 3 and 4  
Answer:  
(C) 1,2 and 3

Question 139.  
Span of controls means that -……………  
(A) An organization consists of various departments  
(B) Each person’s authority is clearly defined.  
(C) Every subordinate has one superior.  
(D) A manager can supervise only a limited number of subordinates.  
Answer:  
(D) A manager can supervise only a limited number of subordinates.

Question 140.  
Which one of the following statement is correct?  
(A) Planning and controlling are essentially one and the same.  
(B) Controlling is a part of the planning process.  
(C) Controlling is a substitute for planning  
(D) A control process is meaningless without preset goals.  
Answer:  
(D) A control process is meaningless without preset goals.

Question 141.  
Assertion (A):  
One can have ‘power’ without having ‘authority’.  
Reason (R):  
People with ‘authority’ have ‘power’, but ‘power’ does not always denote authority.  
Select the correct answer from the options given below.  
(A) (A) and (R) both are true, but (R) is not a correct explanation of (A)  
(B) (A) and (R) both are true, (R) is the correct explanation of (A)  
(C) (A) is true and (R) is false  
(D) (A) is false and (R) is true  
Answer:  
(B) (A) and (R) both are true, (R) is the correct explanation of (A)

Question 142.  
Assertion (A):  
Today managers with leadership qualities and skill are preferred to managers with expertise alone.  
Reason (R):  
The major organizational changes now emphasize managing people and processes.  
Select the correct answer from the options given below.  
(A) Both A and R are true and R is correct explanation of A  
(B) Both A and R are true but R is not a correct explanation of A  
(C) A is true but R is false  
(D) A is false and R is true  
Answer:  
(A) Both A and R are true and R is correct explanation of A

Question 143.  
Match the following:  
List-I —- List-II  
(a) Forecasting — (i) Controlling  
(b) Communication — (ii) Planning  
(c) Selection of manager — (iii) Leading  
(d) Established performance standard — Staffing  
Select the correct answer from the options given below  
  
Answer:  
(D)

Question 144.  
Assertion (A):  
Co-ordination implies the avoidance of all splintering efforts.  
Reason (R):  
One of the four benefits of coordination is unity of direction.  
Select the correct answer from the options given below.  
(A) Both A and R are true and R is correct explanation of A  
(B) Both A and R are true but R is not a correct explanation of A  
(C) A is true but R is false  
(D) A is false but R is true  
Answer:  
(B) Both A and R are true but R is not a correct explanation of A

Question 145.  
A strategy can be defined as –  
(A) A plan designed to reach long-term objectives.  
(B) A specific, narrow plan designed to achieve tactical planning.  
(C) Designed to be the end of tactical planning.  
(D) None of the above  
Answer:  
(A) A plan designed to reach long-term objectives.

Question 146.  
Assertion (A):  
Management is the development of people. Reason (R):  
Management is not the direction of things.  
Select the correct answer from the options given below.  
‘Plans’ are natural out growths of the planning process.  
(A) (A) is true and (R) is false  
(B) (A) is false and (R) is true  
(C) Both (A) and (R) are true  
(D) Both (A) and (R) are false  
Answer:  
(A) (A) is true and (R) is false

Question 147.  
Assertion (A): ‘Plan’ is a theoretical concept but ‘planning’  
has particular values.  
Reason (R):  
Plans’ are natural out growths of the planning process.  
(A) (A) is true and (R) is false  
(B) (A) is false and (R) is true  
(C) Both (A) and (R) are true  
(D) Both (A) and (R) are false  
Answer:  
(C) Both (A) and (R) are true

Question 148.  
Scalar principle of organization implies that –  
(A) All subordinates have only one supervisor  
(B) Line of authority is defined clearly  
(C) Manager can directly supervise only a limited number of persons  
(D) The subordinates need not necessarily have a supervisor  
Answer:  
(B) Line of authority is defined clearly