



1. Overall and strategic planning is done by the

- A. Top management
- B. Middle level management
- C. Supervisory level management
- D. None of these

Answer: A

2. Consider the following statements : - Planning involves

- A. Choice among alternative courses of action
- B. Forecasting
- C. Both (a) and (b)
- D. Decision only by production manager

Answer: C

3. 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. Delegation of authority
- C. Delegation of responsibility
- D. Decentralisation of authority

Answer: B

4. An organisation structure is effective if it enables individuals to contribute to the objectives of the enterprise. This is known as

- A. Scalar principle
- B. Principle of unity of objectives
- C. Principle of functional definition
- D. None of the above

Answer: B

5. 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

6. Directing function of management implies -

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- A. Staffing
- B. Leadership
- C. Motivation
- D. All of the above

Answer: D

7. Which of the following is true with respect to planning function?

- A. To tell the work allocation to all
- B. To make a blue print of ideas and work
- C. Monitoring whether the things allocated are done properly
- D. None of the above

Answer: B

8. 3D Theory -

- A. V.J. Peddin
- B. Mountain & Black
- C. Paul Hersey and Blandard
- D. Tannenbaum and Schmidt

Answer: A

9. Life Cycle Theory -

- A. V.J. Peddin
- B. Mountain & Black
- C. Tannenbaum and Schmidt
- D. Paul Hersey and Blandard

Answer: D

10. Continuum Approval -

- A. V.J. Peddin
- B. Mountain & Black
- C. Tannenbaum and Schmidt
- D. Paul Hersey and Blandard

Answer: C

11. Managerial Grid -

- A. V.J. Peddin
- B. Mountain & Black
- C. Tannenbaum and Schmidt
- D. Paul Hersey and Blandard



Answer: B

12. Who wrote "Management & Moral"?

- A. Roethliberger
- B. Dimock
- C. Taylor
- D. Riggs

Answer: A

13. According to the principle of "Span of control" there is

- A. A limit to delegation of authority to the subordinate.
- B. A tendency of overload supervisors with too much of work
- C. No limit to the number of subordinates a supervisor can supervise.
- D. A limit to the number of subordinates a supervisor can effectively supervise.

Answer: D

14. Which one of the following statement is correct?

- A. Controlling is a substitute for planning
- B. Controlling is a part of the planning process
- C. A control process is meaningless without pre-set goals
- D. Planning and controlling are essentially one and the same

Answer: C

15. Each subordinate should have only one superior whose command he has to obey. This is known as

- A. Division of work
- B. Exception principle
- C. Unity of Command principle
- D. Authority - responsibility principle

Answer: C

16. In line and staff organisation the staff performs the function of

- A. Advising the management
- B. Assigning responsibility
- C. Management
- D. None of the above



Answer: A

17. Planning function is mainly performed at

- A. Top management level
- B. Middle management level
- C. Lower management level
- D. None of the above

Answer: A

18. Which one of the following may not necessarily be an advantage of coordination?

- A. Creative force
- B. Unity of direction
- C. Effective supervision
- D. Summarisation of all management functions

Answer: C

19. Leadership is a function of all the following factors except

- A. Leader
- B. Situation
- C. Work group
- D. Product or service

Answer: D

20. Staffing includes -

- A. Training
- B. Appraisal
- C. Placement
- D. All of the above

Answer: D

21. Repeated use plans or standing plans include

- A. Rules
- B. Objectives and policies
- C. Procedures and methods
- D. All of the above

Answer: D



22. Span of controls means that -

- A. A manager can supervise only a limited number of subordinates
- B. An organization consists of various departments
- C. Each person's authority is clearly defined
- D. Every subordinate has one superior

Answer: A

23. If the span of control is narrow, a number of managers would be required in each unit of the organization and there would be many managerial levels or layers, such an organizational structure is refer

- A. Tall structure
- B. Flat structure
- C. Matrix structure
- D. Project structure

Answer: A

24. The famous book 'General and Industrial Management' was written by

- A. Maslow
- B. Elton Mayo
- C. Henri Fayol
- D. Oliver Sheldon

Answer: C

25. Which of the following is not true in respect of planning?

- A. Planning is forward-looking
- B. Planning is an intellectual activity
- C. Planning is related to objectives
- D. Planning function is not performed by the top management

Answer: D

26. Which one of the following orders indicates the correct logical order of managerial functions?

- A. Planning, Organising, Staffing, Directing, Control and Coordination
- B. Organising, Planning, Staffing, Directing, Control and Coordination
- C. Planning, Directing, Organising, Staffing, Control and Coordination
- D. Organising, Planning, Directing, Staffing, Coordination and Control

Answer: A

27. Which of the following skills is equally important at all levels of management?



- A. Technical skill
- B. Conceptual skill
- C. Human relation skill
- D. All of the above

Answer: C

28. 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. Critical path method
- B. Participative Management
- C. Management by Exception
- D. Management by objectives

Answer: C

29. MBO is a technique which requires that the objectives of the enterprise

- A. Be written and defined in broad terms
- B. Be defined in terms of measurable results
- C. Include a plan of action for achieving the desired result
- D. Lay down the time period for achieving the desired results

Answer: B

30. In Taylor's functional organisation, gang boss

- A. Compiles cost of production
- B. Issues instructions to workers
- C. Inspects the quality of work done
- D. Sets up tools and machines for work

Answer: D

31. Decentralisation of an organization is commanded on account of which of the following advantages?

- A. Executive development
- B. Improvement of morale
- C. Reduced burden on top executives
- D. All of the above

Answer: D

32. 'Matrix organisation' refers to a term of

- A. Organisation where authority and
- B. Mathematical arrangement of events in



- responsibility coexist
- C. Organisation in which two or more basic types of departmentation are combined
- columns and rows
- D. None of the above

Answer: B

33. Which one of the following formulae is used to calculate "Cross Relationship" under span of control?

- A. $n(2n/2 + n - 1)$
- B. $n(2n/2 - 1)$
- C. $n(n - 1)$
- D. None of the above

Answer: A

34. Which of the following is not an advantage of MBO?

- A. Self control
- B. Better appraisal
- C. Employee commitment
- D. Success without planning

Answer: A

35. Motivational process and not the motivators as such is associated with the

- A. ERG Theory
- B. Two-factor theory
- C. Expectancy theory
- D. Need hierarchy theory

Answer: C

36. Which one of the following is the oldest form of organization?

- A. Departmentation
- B. Staff organization
- C. Functional organization
- D. Line and Staff organization

Answer: B

37. The potential disadvantage of MBO is

- A. The additional commitment to the organisation
- B. Its over-emphasis on production and productivity



- C. The absence of short-term and long-term planning
- D. Its inability to control progress of work and achievement of results

Answer: B

38. In line and staff organisation, the authority lies in

- A. Line
- B. Staff
- C. Both line and staff
- D. None of the above

Answer: A

39. Which of the following functions is known as the essence of management?

- A. Control
- B. Planning
- C. Organising
- D. Co-ordinating

Answer: D

40. TQM's major emphasis is on

- A. Product quality
- B. Customer delight
- C. Employee training
- D. Company profitability

Answer: A

41. In a Functional organization

- A. There are specialist advisers having no authority
- B. The organization is divided into functions with specialists having authority.
- C. The entire organization is divided into functions with specific role for specialists
- D. There are no advisers, the executive alone having the authority and competence

Answer: B

42. Delegation of authority is linked to

- A. Management control
- B. Managerial planning
- C. Scientific management
- D. Management coordination



Answer: A

43. Organisation Theory deals with

- A. Industrial relations
- B. Incentives and wage policy
- C. Structure of an organisation
- D. Forms of business organisation

Answer: C

44. The main advantage of functional organisation is

- A. Simplicity
- B. Experience
- C. Expert advice
- D. Specialisation

Answer: D

45. Scalar principle of organisation implies that

- A. line of authority is defined clearly
- B. all subordinates have only one supervisor
- C. the subordinates need not necessarily have a supervisor
- D. a manager can directly supervise only a limited number of persons

Answer: A

46. According to Need Hierarchy theory of Maslow, human needs arise in which one of the following order?

- A. Physiological needs-Social needs-Ego needs-Safety needs-Self actualisation needs
- B. Physiological needs-Safety needs-Social needs-Ego needs-Self actualisation needs
- C. Physiological needs-Safety needs-Ego needs-Social needs-Self actualisation needs
- D. Physiological needs-Social needs-Safety needs-Ego needs-self actualization needs

Answer: B

47. A strategy can be defined as

- A. Designed to be the end of tactical planning
- B. A plan designed to reach long-term objectives
- C. A specific, narrow plan designed to achieve
- D. None of the above



tactical planning

Answer: B

48. Which function of management involves filling, and keeping filled organisation structure?

- A. Staffing
- B. Planning
- C. Organising
- D. Controlling

Answer: A

49. In strategic management process, any organizational skills or resources that are exceptional or unique are the organization's

- A. Bargaining power
- B. Core competencies
- C. Potential Internal Strengths
- D. Potential External Opportunities

Answer: B

50. Which is an example of ethical codes?

- A. We believe in assets
- B. We believe in money
- C. We believe in more production
- D. None of these

Answer: D

51. "Business ethics is related with the test of values or social values." Who said it?

- A. Fredrick
- B. J. R. Betty
- C. Keith Devis
- D. Peter F. Drucker

Answer: D

52. The principle of business ethics includes

- A. Principle of publicity
- B. Principle of equivalent price
- C. Principle of co-operation with others
- D. All of the above

Answer: D



53. Which of the following is a method that can be used to overcome the tendency toward conformity in group decision-making?

- A. Brain storming
- B. Group thinking
- C. Electronic meetings
- D. Nominal group technique

Answer: A

54. 'Best journey' is a ethical code of

- A. RIL
- B. Hutch
- C. Railway company
- D. Indian government

Answer: C

55. The code of ethics of public relations practitioners are

- A. They must never impair human dignity and integrity.
- B. They must never compromise on the truth due to other requirements.
- C. The code philosophy of the code is to uphold the universal declaration of Human Rights of the UNO.
- D. All of the above

Answer: D

56. The ethical issues relating to customers includes

- A. Safety
- B. Price of the product
- C. Quality of the product
- D. All of the above

Answer: D

57. Good ethics is good

- A. Value
- B. Human
- C. Business
- D. Customers and suppliers

Answer: C



58. Find the odd one out

- A. Structural Theory
- B. Humanistic Theory
- C. Informal Functioning
- D. Human Relation Theory

Answer: A

59. The code of ethics of public relation includes

- A. They must never impair human dignity and integrity.
- B. They must never compromise on the truth due to other requirements.
- C. They must protect the interests of the organisation. They serve data to the government and the general public.
- D. All of the above

Answer: D

60. If Coca-cola wished to examine its general environment before constructing its business strategy, the company would explore all of the following environments except

- A. Global
- B. Economic
- C. Knowledge
- D. Sociocultural

Answer: C

61. Business ethics -

- A. the base of business ethics is theology
- B. is not affected by the social approval or disapproval
- C. is based on the reality and social customs prevailing in business environment
- D. all of the above

Answer: D

62. Which is favourable point of business ethics?

- A. Perpetual succession
- B. Reputation of business
- C. Helps in professionalisation of management
- D. All of the above

Answer: D

63. Which of the following is the most appropriate reason for a manager to plan?



- A. Planning gives direction.
- C. Planning reduces the need for standards.
- B. Planning maximises redundancy.
- D. Planning eliminates the need for management attention.

Answer: A

64. "Corporate planning is the continuous process of making present entrepreneurial decisions systematically and with the best possible knowledge of their futurity." Who said?

- A. Hussey
- C. McCanathen
- B. J.R. Betty
- D. Peter F. Drucker

Answer: D

65. The ethical issues relating to owners of business is/are

- A. New issue of shares
- C. Safeguards to the interest of minority shareholders
- B. Investment of capital on profitable projects
- D. All of the above

Answer: D

66. Ethical codes are

- A. Negative Rule
- C. Product of regulation
- B. Product of the firm
- D. Statements of the norms and beliefs of an organisation

Answer: D

67. A code of ethics specifies the

- A. Target
- C. Rule of sales promotion
- B. Rule of selling
- D. Ethical rules of operation

Answer: D

68. Which is the feature of Indian ethos for management approach?



- A. Empowering
- C. Setting examples
- B. Cost benefit
- D. All of the above

Answer: B

69. Which is the approach to corporate planning?

- A. Market dynamics
- C. Management attitudes
- B. Nature of demand
- D. All of the above

Answer: D

70. Which factors causing ethical behaviour in business?

- A. Pressure from top executives
- C. Public disclosure
- B. Inspiration from leaders
- D. All of the above

Answer: D

71. Henri Fayol Supports the

- A. Organic approach
- C. Mechanistic approach
- B. Humanistic approach
- D. Scientific management

Answer: C

72. Corporate planning consists

- A. Defamation
- C. Strategic planning
- B. Automation
- D. Financial accounting

Answer: C

73. Which is the techniques to improve ethical conduct of business?

- A. Ethics committee
- C. Transparency in working
- B. Ethical code of conduct
- D. All of the above

Answer: D



74. Business ethics is dynamic

- A. Concept
- B. Principle
- C. Philosophy
- D. Rules and regulation

Answer: C

75. Which is the basic principle of ethos for management?

- A. Holistic approach indicating unity between the Divine, Individual Self and the Universe
- B. Co-operation is powerful instrument for team work and success in any enterprise involving collective work
- C. Immense potential energy and talents for perfection as human being has the spirit within his heart
- D. All of the above

Answer: D

76. Which of the following is/are integral part(s) of an effective organising effort?

- A. Authority
- B. Delegation
- C. Rationale for the orderly use of management system resources
- D. All of the above

Answer: D

77. Which is/ are argument against Corporate Social Responsibility?

- A. Unsupported by logic
- B. Cost burden on consumers
- C. Non-availability of social skills
- D. All of the above

Answer: D

78. "Ethics deals with the right actions of individuals." Who said?

- A. C.S. Rao
- B. J.R. Betty
- C. D.C. Zane
- D. Peter F. Drucker

Answer: D

79. The main focus of human relation theory is on

- A. Individual
- B. Formal Organisation



C. Informal Organisation

D. Participatory Decision-making

Answer: A

80. Business ethics is a dynamic philosophy of ----- economic adjustment whose field is widening day-by-day.

A. Socio

B. Political

C. Historical

D. Traditional

Answer: A

81. Which of the following management function specifies goals to be achieved and decides in advance the appropriate actions to achieve those goals?

A. Planning

B. Leading

C. Organising

D. Controlling

Answer: A

82. Which is the principle of business ethics?

A. Principle of Satisfaction

B. Principle of Due Process

C. Principle of Aspirit of Service

D. All of the above

Answer: D

83. Ethics is concerned with the goods worth seeking in life and with the rules that ought to govern human behaviour and

A. Social torture

B. Social pressure

C. Undue influence

D. Social interaction

Answer: D

84. Which is the section of Corporate Social Responsibility?

A. Suppliers

B. Creditors

C. Professional institutions

D. All of the above



Answer: D

85. Ethical code is

- A. Do and Die
- B. Let's go money
- C. We push the customer from the shop
- D. Our first responsibility is to our customers

Answer: D

86. Standing plans that furnish broad guidelines for channeling management thinking in specified direction are called

- A. Policies
- B. Programs
- C. Procedures
- D. Single use plans

Answer: A

87. Hierarchy has been described as the "scalar process" by

- A. L.D. White
- B. P.H. Appleby
- C. Gullick and Urwick
- D. Mooney and Riley

Answer: C

88. Who gave the 14 Principles of Management?

- A. Henri Fayol
- B. Max Weber
- C. F.W. Taylor
- D. Elton Mayo

Answer: A

89. David C Mc Clelland identified three motives those are

- A. Power
- B. Affiliation
- C. Achievement
- D. All of these

Answer: D

90. It consists of the message from superior to subordinate



- A. Upward Communication
- B. Vertical Communication
- C. Downward Communication
- D. All of these

Answer: C

91. 'Grapevine' is a type of

- A. Official created
- B. Formal communication
- C. Informal communication
- D. All of these

Answer: C

92. Consider the following statements is/are correct:

- A. Planning is looking ahead
- B. Controlling is looking back
- C. Delegation multiplies leadership
- D. All of the above

Answer: D

93. Which approach emerged from the findings of Hawthorne experiment

- A. System approach
- B. Human relation approach
- C. Behavioural science movement
- D. All of these

Answer: B

94. Who developed the functional organisation?

- A. Taylor
- B. Michael E. Porter
- C. Charles Babbage
- D. All of these

Answer: A

95. An informal communication network among people in an organisation that is not officially sanctioned by the organisation.

- A. Grapevine
- B. Informal Communication
- C. Downward Communication
- D. All of these



Answer: A

96. It occurs between people neither in the same department nor on the same level of the hierarchy

- A. Vertical Communication
- B. Diagonal Communication
- C. Downward Communication
- D. All of these

Answer: B

97. It takes place between people on the same level of the hierarchy

- A. Lateral Communication
- B. Vertical Communication
- C. Downward Communication
- D. All of these

Answer: A

98. Few of the management principles given by Henri Fayol are

- A. Discipline
- B. Division of work
- C. Authority and responsibility
- D. All of these

Answer: D

99. Communication flow from higher level to lower ones within in an organisation

- A. Lateral/diagonal Communication
- B. Downward Communication
- C. Vertical Communication
- D. All of these

Answer: B

100. "Focus on social environment" is related to

- A. Human Relation
- B. Unity of Direction
- C. Unity of command
- D. Attitude

Answer: A