

ISC Solved Paper, 2018

Business Studies

Class-XII

(Maximum Marks : 100)

(Time allowed : Three hours)

- (i) Candidates are allowed additional 15 minutes for only reading the paper.
(ii) They must NOT start writing during this time.
(iii) Answer **Question 1** from Part I (compulsory) and **five** questions from Part II.
(iv) The intended marks for questions or parts of questions are given in brackets [].

PART- I

[30 Marks]

Answer all questions

1. Answer briefly each of the questions (i) to (xv).

[15 × 2]

- (i) What is meant by *unsolicited applications*?
(ii) State the significance of conducting *refresher training*.
(iii) Define *remuneration*.
(iv) Name *any four* non-monetary incentives that may be used in an organisation.
(v) Briefly explain *any two* qualities of a good leader.
(vi) Differentiate between *upgrading* and *dry promotion*.
(vii) Give *one* benefit each of voluntary retirement scheme to the employee and to the employer.
(viii) Bring out the significance of using *grapevine* as a channel of communication in an organisation.
(ix) Explain the meaning of *internal communication*. Name its *two* types.
(x) What is a *dictaphone*?
(xi) Briefly explain what is meant by *letter of enquiry*. Which letter is written in response to it?
(xii) With reference to written internal communication, explain the term *office order*.
(xiii) Explain *cross referencing* in the context of report writing.
(xiv) Explain the term '*motion*' in the context of company meetings.
(xv) With reference to Post Office, expand the following:
(a) VPP
(b) PIN

Ans. (i) *Unsolicited applications*: Applications that are received by an organisation which are not in response to any advertisement or specifically asked by the organisation are called unsolicited applications.
Unusual callers bring in such applications.
For examples Eg: used as future source of recruitment.

(ii) Significance of conducting refresher training:

- (a) When existing work methods and techniques become obsolete, employees have to be trained for the use of new methods and techniques.
(b) Refresher training is provided to update the knowledge and skills of employees.
(c) It helps to refresh the job knowledge and make employees efficient for the use of new technology.
(d) Rapid advancement in technology has increased the need for refresher training.
(Any two points)
- (ii) *Remuneration* may be defined as the wage or salary paid to workers in cash or kind in consideration of the services rendered in by them.
- (iv) Non-monetary incentives that may be used in an organisation are:
(a) Status symbol
(b) Satisfying job
(c) Appreciation of work/recognition
(d) Knowledge of results
(e) Healthy competition
(f) Suggestion scheme
(g) Opportunity for growth
(h) Participation in management
(i) Responsibility
(j) Challenging job
(k) Job security
(Any four points)

(v) Qualities of a good leader:

- (a) **Sound physique**: so that he has stamina and vigour to do hard work.
(b) **Intelligence**: to logically analyse the situation in the right perspective.

- (c) **Maturity:** He should have a logical bent of mind and a mature outlook.
- (d) **Open mind:** He should be open to all viewpoints. Should be objective and free from bias and prejudice.
- (e) **Self-confidence** and will power in himself will help him to instill the same in his followers.
- (f) **Knowledge of work** to be able to guide the followers.
- (g) **Communication skills** so that he can persuade and convince followers.
- (h) **Vision and foresight** to anticipate and visualise future events and to be able to take right decisions at the right time.
- (i) **Sense of responsibility** to take ownership of the team's performance.
- (j) **Human relations attitude** (any two points)

(vi) Upgrading and dry promotion:

Upgrading	Dry promotion
Upgrading means: (i) increase in salary (ii) without any change in status and responsibility	Dry promotion means: (i) increase in status and responsibility, (ii) without any increase in salary.

Distinction can be (i):(i) & (ii):(ii) OR (i):(ii) & (ii):(i)

(vii) Benefits of voluntary retirement scheme to the employer and employee:

Employer	Employee
(i) The employer is able to lure employees to leave the organisation on their own.	(i) The employee gets a substantial amount of money under VRS.
(ii) Useful when faced with surplus staff.	(ii) The employee is free to take up another job.
(iii) When they want fresh talent.	

(viii) One benefit of each significance of using grapevine as a channel of communication in an organisation:

- (a) Grapevine is used judiciously to supplement the official channels.

- (b) It is used by management to know the pulse of staff before any major announcement.
- (c) It helps in preparing staff for any changes.
- (d) It overcomes status barrier.
- (e) It creates bonding between employees.
- (f) Fast means of communication/when official channels are slow. (any two points)

(ix) Internal communication: Internal communication refers to all communications within an organisation / between the employees.

Types: Its two types are horizontal communication and vertical communication.

(x) Dictaphone: A dictaphone is an electronic device which records speech so that a typist may play back the recording and transcribe it on the typewriter.

OR

Sictaphone is a machine used for shorthand writing.

(xi) Letter of enquiry: Letter of enquiry is written to seek information about price/terms of sale /availability/quality/etc. of the goods to be purchased.

Response to letter of enquiry: Quotation letter is written in response to a letter of enquiry.

(xii) Office order: An office order is a means of downward / higher to lower / superior to subordinate communication. It carries stamp of authority and people working at lower levels are bound to accept it.

(xiii) Cross referencing in the context of report writing: Cross referencing means making a mention at another place in the report, about some other point of the report.

It is easier for the user to understand the report.

(xiv) 'Motion' in context of company meetings: A motion is a proposal or proposition moved by a member for the purpose of discussion at the meeting.

- (xv) (a) VPP – Value Payable Post
- (b) PIN – Postal Index Number

PART- II

[70 Marks]

Answer any five questions.

- 2. (a) Explain any three points of difference between training and education. [6]
- (b) With reference to selection process, explain the significance of the following: [8]
 - (i) Preliminary Interview
 - (ii) Application Blank
 - (iii) Medical Examination
 - (iv) Final Interview

Ans. (a) Distinguishing points between training and education:

Point of Distinction	Training	Education
Nature	Practical	Theoretical
Content	Job related	General
Participants	Non-managers	Everyone

Duration	Short term	Long term
Cost paid	By employer	By individual or government

(any three clear distinctions)

(b) (i) Preliminary Interview:

- To check whether the candidate fulfils the minimum qualifications.
- To eliminate totally unsuitable candidates.
- Saves time and money of the employer in processing applications of unfit candidates.
- Candidates are saved from the trouble of passing through a long procedure and being rejected.

(any two points stated in a sentence or two)

(ii) Application Blank:

- Detailed and permanent record of candidate/future reference.
- Reflects candidate's suitability and interest /tentative inferences can be made.
- Serves as basis for framing questions in the interview.

(any two points stated in a sentence or two)

(iii) Medical Examination:

- To ensure that the candidates are fit to take up the required job.
- To ensure that the candidates are not suffering from any communicable disease which can affect co-workers.
- To ensure that the candidate is not suffering from a major illness/disease which may cause financial burden to the organisation.
- To ensure that the candidate after placement does not leave the organisation due to medical reasons, which would require a fresh recruitment and selection.

(any two points stated in a sentence or two)

(iv) Final Interview:

- To cross check information obtained through application blank and tests.
- Final suitable candidate is identified/ chosen.
- To give an accurate picture of the job and the organisation to the candidate.
- Some qualities can be judged only through a face to face interaction.

(any two points stated in a sentence or two)

3. (a) Write a short note on the Halsey Plan of Incentive. [6]

(b) List any four factors that influence morale. Clearly explain how they boost or lower the morale. [8]

Ans. (a) Halsey Plan of incentive:

- (i) Under this plan, standard time is fixed on the basis of past performance records.

(ii) It is also called The Weir Plan.

(iii) It was developed by Halsey.

(iv) A worker who completes his job within/ more than the standard time is paid a guaranteed amount based on time wages.

(v) A bonus (usually 50% of the time saved) is paid to a worker who completes his job in less than the standard time.

(Any three points)

Formula: Total wages = Time taken × Rate + 50% (standard time – time taken) × Rate

Merits:

(i) Plan is simple to understand and calculate.

- The employer and the employee share the benefits of time saved.

(ii) Guaranteed minimum wage provides a sense of security to the employees.

(iii) Since bonus is based on time saved, it promotes efficiency in the employees / inspires workers to save as much time as possible.

Demerits:

(i) Standard time based on past performance may not be practical, scientific and fair.

(ii) If rate is not properly fixed there is danger of overpayment of bonus.

(iii) No check on over speeding.

(iv) Workers get only part of the benefit of time saved.

(v) Since workers will rush to finish their work, quality of work may suffer.

(vi) Wastage and spoilage may increase as workers will be in a hurry to finish work.

(vii) Too much of clerical work involved in calculating wages.

(b) Factors that influence morale:

(i) Nature of work/job satisfaction,

(ii) Working conditions,

(iii) Supervision,

(iv) Interpersonal relations,

(v) Management policies,

(vi) Personal factors,

(vii) Organizational structure,

(viii) Personnel policies,

(ix) Communication.

(any four points with explanation)

4. (a) Explain the first three needs as per the Maslow's Hierarchy of human needs. [6]

(b) Discuss any four purposes of performance appraisal. [8]

Ans. (a) First three needs as per the Maslow's hierarchy of human needs:

- (i) Physiological needs,

- (ii) Safety needs,
 - (iii) Social needs.
 - (b) Principal uses of performance appraisal:
 - (i) Placement / Identify misplaced employees.
 - (ii) Training/identify weaknesses of employees.
 - (iii) Development/motivation for self-development.
 - (iv) Decision on incentive.
 - (v) Promotion and transfer / to judge potential for promotion.
 - (vi) Psychological pressure to work efficiently/ motivation to work better.
 - (vii) To judge performance.
 - (viii) To have records for wage calculation.
- (any four well explained points)*

5. (a) Briefly explain any three leadership styles. [6]
 (b) What is staff transfer? Explain any four types of transfers. [8]

- Ans (a) Types of leadership styles:
- (i) Autocratic or Authoritarian,
 - (ii) Democratic or Participative,
 - (iii) Laissez – Faire or Free-Rein,
 - (iv) Paternalistic.
- (any three styles with explanation)*

(b) **Staff transfer:** Transfer implies shifting of an employee from one job to another without substantial/no change in his status, responsibility and salary.

Types of transfers:

- (i) Production transfer,
 - (ii) Remedial transfer,
 - (iii) Versatility transfer,
 - (iv) Shift transfer,
 - (v) Replacement transfer.
- (any four with explanation)*

6. (a) Name and explain any three types of interviews. [6]

(b) With reference to company meetings, explain the following terms: [8]

- (i) Point of order
- (ii) Statutory meeting
- (iii) Proxy
- (iv) Agenda

- Ans. (a) Types of interviews:
- (i) Recruitment interview,
 - (ii) Appraisal interview,
 - (iii) Disciplinary interview,
 - (iv) Exit interview,
 - (v) Informal interview,
 - (vi) Formal interview,
 - (vii) Stress interview,

- (viii) Depth interview,
 - (ix) Patterned/structured interview,
 - (x) Non-patterned/non-structured interview,
 - (xi) Group interview,
 - (xii) Panel/Board interview.
- (any three with explanation)*

(b) (i) Point of order:

- A point of order is a question/objection regarding the procedure of a meeting. When a particular motion is under discussion, any member can raise a point of order to draw the attention of the chairman to some irregularity in the procedure of the meeting.
- Debate on the main motion stops
- Chairman gives his/her ruling'
- If point of order is lost, debate resumes
- Example *(any four points)*

(ii) Statutory meeting:

This is the first general meeting of the shareholders after the incorporation of the company. Company limited by shares or guarantee and having a share capital must hold a statutory meeting within a period of not less than one month and not more than six months from the date on which the company is entitled to commence business. If the statutory meeting is not held, the defaulting officer shall be punishable with a fine of ₹500.

- To discuss matters relating to formation.
- It is held once in the lifetime of the company.
- No resolution can be passed unless a notice is given.
- Statutory report is presented.
- Acquaint the shareholders of the current position of the company. *(any four points)*
- **(iii) Proxy:**
- Proxy is a representative of a member, who is unable or unwilling to attend the meeting.
- The proxy may or may not be a member of the company. Proxy cannot speak at the meeting nor can he cast a vote unless there is a poll. There are two types of proxies – General and Special.
- Should be under the provisions of Articles of Association.
- Proxy form must be sent with notice.
- Should be in writing.
- Should be received by the company 48 hours before the meeting.
- It is revoked if the member attends the meeting. *(Any four points)*

(iv) Agenda:

- Agenda refers to the various items of business to be transacted at a meeting.
- It consists of a list of things to be done.
- It specifies the order in which various items will be taken up. Generally, routine business is placed prior to the special business.
- It is prepared for all types of meetings. It helps in the systematic conduct of the meeting.
- The secretary in consultation with the chairman prepares the agenda.
- It is usually sent to the members along with the notice. *(any four points)*

7. (a) Explain the process of report writing. [6]

(b) What are *statistical tables*? Explain any three advantages of tabulating data. [8]

Ans. (a) The process of report writing:

- (i) Collection of facts,
- (ii) Plan the report,
- (iv) Write the report,
- (v) Review the report.

(b) **Statistical table:** A statistical table is a systematic arrangement of statistical data in columns and rows/ tabular form

Advantages of tabulating the data:

- (i) Simplification of complex data/gives a bird's eye view.
- (ii) More attractive to eye.
- (iii) Great memorising value.
- (iv) Comparison of data.

(b)

From
* 7 D, Ashish Towers
Rohini, New Delhi
*Dt. _____

(Date can be at the end, left hand corner also)

To,		The Personnel Manager
The Advertiser		XYZ Ltd.
* Post Box No. 123	OR	Maurice Nagar
The Times of India		New Delhi – 110007
New Delhi – 110001		

*Sub.....

*Ref.....

*

Dear Sir,

This has reference to your advertisement for the post of *Assistant Manager (Sales) as advertised in *Times of India, dated* _____.

(v) Easy identification of data.

(vi) Pattern of data can be seen clearly.

(any three well explained advantages)

8. (a) State any six advantages of centralised handling of mail in an organisation. [6]

(b) Draft an *application letter* for the post of an Assistant Manager (Sales) at a reputed retail firm in response to a newspaper advertisement. An appropriate *bio-data* of the applicant should be prepared and enclosed with the application. [8]

Ans. (a) Advantages of centralised handling of mail in an organisation:

- (i) Trained staff can be employed.
- (ii) Uniformity in mail handling procedures / systematized mailing patterns.
- (iii) Specialization leads to accuracy and speed.
- (iv) Duplication of work avoided.
- (v) Other departments relieved of the burden of handling mail.
- (vi) Labour saving devices can be used.
- (vii) An expert supervisor can coordinate mailing operations.
- (viii) Proper use of postage stamps.
- (ix) Careful and prompt distribution and dispatch of mail.
- (x) Post office services can be used efficiently.
- (xi) Responsibility of mail can be fixed.
- (xii) New employees can get trained in office routine.

(any six points written in a sentence or two)

I offer my candidature for the said post. I am enclosing my *bio-data with this application.

*With warm regards,

*Yours sincerely,

*Sd/-

*(Name)

*Encl: Bio-data

(Sub. & Ref. can be after 'Dear Sir' or before it. OR can be included in the body of the letter.)

BIO-DATA*

*Name

*Address

*email id

*Age or Date of Birth

*Gender

*Aadhar Card Number

*Contact Number

*Educational Qualification:

Exam passed	Year of passing	Board / University	Subjects	Marks

*Co-curricular Activities

Sports / Dramatics / Social service / any other

*Experience

Since the post is of Assistant Manager, experience of a few years in a Similar set-up is a must.

*References

*Languages known

