

EXAM PRACTICE
Past Year Board QuestionsCBSE-Class XII
Business Studies
Planning**Section A****(1 mark each)**

- Question 1.** Give the meaning of 'Objective' as a type of plan. **(2015)**
- Question 2.** Define 'planning premises'. **(2015)**
- Question 3.** Give the meaning of 'Policy' as a type of plan. **(2014)**
- Question 4.** Give the meaning of 'Method' as a type of plan. **(2014)**
- Question 5.** 'Planning is done for achieving the organization goals.' Do you agree? Give one reason in support of your answer. **(2012)**
- Question 6.** Name the type of plan which provides the broad contours of an organisation's business. **(2012)**
- Question 7.** 'Planning always leads to success.' Do you agree? Give reason in support of your answer. **(2012)**
- Question 8.** State first two step in the process of planning. **(2009)**
- Question 9.** Give one differences between Policy and Procedure. **(2009)**
- Question 10.** What is meant by 'selecting and alternative' as a step in the planning process? **(2009)**

Section B**(3 marks each)**

- Question 11.** Explain 'objectives' as one of the types of plans. **(2013)**
- Question 12.** Explain the following as features of Planning:
a. Planning is continuous, and
b. Planning is futuristic. **(2013)**
- Question 13.** Explain the following as features of Planning:

- a. Planning involves decision making; and
- b. Planning is pervasive (2013)

- Question 14.** Explain the following as features of Planning:
a. Planning focuses on achieving objectives; and
b. Planning is a mental exercise. (2013)
- Question 15.** Differentiate between 'Policy' and 'Rule' as types of Plans. (2011)
- Question 16.** What is meant by 'Planning'? List any two features of planning. (2010)
- Question 17.** Define planning. List any two limitations of planning. (2010)
- Question 18.** Explain how 'planning' provides direction to action? (2008)
- Question 19.** Explain how 'planning' is a mental exercise? (2008)
- Question 20.** Explain how 'planning' reduces the risk of uncertainty? (2008)

Section C

(4 mark each)

- Question 21.** Explain 'Method' as one of the types of plans. (2013)
- Question 22.** Explain 'Strategy' as one of the types of plans. (2013)
- Question 23.** "Planning is an important function of Management." State any four reasons. (2011)
- Question 24.** Explain "Policy" and "Procedure" as types of plans. (2010)
- Question 25.** Explain 'Objectives' and 'Strategy' as types of plan. (2010)
- Question 26.** Explain 'Method' and 'Rule' as types of plans with an example. (2008)

Section D

(5 mark each)

- Question 27.** State any five features of 'Planning'. (2015)
- Question 28.** Describe any five limitations of planning. (2014)

Question 29. State any five features of planning.

(2014)



Answer Key

Section A

(1 mark each)

- Answer 1.** Objectives are defined as ends which the management seeks to achieve by its operations.
- Answer 2.** Planning premises are assumption about the future factors (both internal and external) which provide base for planning.
- Answer 3.** General guidelines which bring uniformity in decision making
- Answer 4.** Prescribed way in which a task has to be performed
- Answer 5.** Yes; specific goals are set up in the plans along with the activities to be performed to achieve those goals.
- Answer 6.** Objectives
- Answer 7.** No; planning does not always lead to success
- A plan may not be always translated into action required
 - It is only a base for future activities not a solution to all problems
- Answer 8.**
- a. Setting objectives
 - b. Establishing premises
- Answer 9.** A policy is a guide to thinking and step to decision making whereas procedure is a guide to action.
- Answer 10.** Choosing the best alternative from available alternatives

Section B

(3 marks each)

- Answer 11.** An objective is the end point of planning which the management seeks to achieve. It determines what is to be done. Objectives are set by top level management.
- Answer 12.**
- a. **Planning is continuous** - Once a plan is framed it is implemented and then it is followed by another plan and so on. It is a never ending process.
 - b. **Planning is futuristic** - It involves looking forward based on forecasting and preparing for the future to meet future events effectively to the best advantage of the organisation.

- Answer 13.**
- Planning involves decision making** – Planning essentially involves choice from among various available alternatives and activities. The need of planning arises when alternatives are available.
 - Planning is pervasive** –Planning is required at all levels of management. Scope of planning differs at different levels and different departments.

- Answer 14.**
- Planning focuses on achieving objectives** – Specific goals are set up in the plans along with activities to be undertaken to achieve those goals.
 - Planning is a mental exercise** – It requires application of the mind involving intelligent, imagination, sound judgment, etc. It is an intellectual activity of thinking rather doing.

Answer 15. Difference between Policy and Rule:

Policy	Rule
a. It is a general statement.	a. It is a specific statement.
b. It is a guide to decision making.	b. It is a guide to behavior.
c. It lays down management attitude.	c. It indicates what should or should not be done.

Answer 16. Planning – deciding in advance what is to be done in future
Features of planning : (any two from following)

- Goal oriented
- Efficiency of operations
- Involves choice
- Pervasiveness
- Forward looking
- Intellectual process
- Continuous process

Answer 17. Planning – deciding in advance what is to be done in future
Limitation of planning : (any two from following)

- Lack of accuracy
- Costly affair
- Delay in actions
- Limited flexibility
- Adverse effect on initiative
- Human elements
- Limited practical value

- Answer 18.**
- Clearly defining objectives
 - Stating the actions to be taken
 - Providing guidelines to achieve organizational goals
- Answer 19.**
- It requires application of mind including, intelligent, imagination and sound judgment
 - It is an intellectual activity of thinking rather doing
 - It requires logical and systematic thinking
- Answer 20.**
- By making use if effective forecasting techniques
 - By enabling the mangers to look forward and foresee changes
 - By showing the ways to deal with uncertain events
 - By helping developing managerial responses for unforeseen situations

Section C

(4 mark each)

- Answer 21.** **Method** – It is a formalized and standardized way of completing routine tasks. It is designed with the objective to keep operations running on panned lines. It serves as uniform norm to guide and control performance.
- Answer 22.** **Strategy** – It means the systematic action and allocation of resources to achieve organizational goals. It highlights how management plans should achieve goals within the complex and dynamic environment.
- Answer 23.** **Importance of planning:** (any four from following)
- Provides basis of control
 - Facilitates managers with decision making
 - Bridges gap between present and future
 - Reduces risk of uncertainty
 - Make clear and specific goals and helps achieving them
 - Helps gaining economical operations
 - Helps in coordination of group efforts
 - Encourages innovation and creativity
- Answer 24.**
- Policy** – Policies are guidelines which facilitate the achievement of pre-determined objectives. They determine how the work is to be done.
 - Procedure** – A procedure is a guide to action. It expresses steps to be taken to in a particular order. It is a systematic way of handling regular events.
- Answer 25.**
- Objective** - An objective is the end point of planning which the

management seeks to achieve. It determines what is to be done. Objectives are set by top level management.

- b. **Strategy** – It means the systematic action and allocation of resources to achieve organizational goals. It highlights how management plans should achieve goals within the complex and dynamic environment.

- Answer 26.**
- a. **Method** - It is a formalized and standardized way of completing routine tasks. It is designed with the objective to keep operations running on panned lines. It serves as uniform norm to guide and control performance.
 - b. **Rule** – A rule is referring to a code of conduct which specifies what is to be done and what is not to be done. Rule does not allow any flexibility in the organisation.

Section D

(5 mark each)

- Answer 27.** Features of planning (any five from the following):
- a. Planning is goal oriented
 - b. Planning provides efficiency of operations
 - c. Planning involves choice
 - d. Planning is pervasive
 - e. Planning is forward looking
 - f. Planning is a continuous process
 - g. Planning is an intellectual process

- Answer 28.** **Limitations of planning:** (Any five from the following)
- a. Lack of accuracy
 - b. Costly affair
 - c. Delay in actions
 - d. Limited flexibility
 - e. Adverse effect on initiative
 - f. Human elements
 - g. Limited practical value

- Answer 29.** **Feature of planning:** (Any five from the following)
- a. Goal oriented
 - b. Efficiency of operations
 - c. Involves choice
 - d. Pervasiveness
 - e. Forward looking
 - f. Intellectual process
 - g. Continuous process