

**BUSINESS STUDIES – XII**

**Case Studies and Indirect Questions**

**Chapter – 5(Organising)**

1. ‘Steelo Ltd.’ decided to set-up its steel manufacturing factory in the backward area of Orissa where very less job opportunities were available. People of that area welcomed this effort of ‘Steelo Ltd.’ To attract people to work in its factory it also decided to provide many other facilities like school, hospital, market etc. in the factory premises.

‘Steelo Ltd.’ started earning huge profits. Another competing company asked its production manager ‘Aslam’ to investigate the reasons of earning huge profits by ‘Steelo Ltd.’

Aslam found that in both the companies there was systematic co-ordination among the various activities to achieve organisational goals. Every employee knew who was responsible and accountable to whom. The only difference was that in his organisation communication took place only through the scalar chain whereas ‘Steelo Ltd.’ was allowing flow of communication in all the directions as per the requirement which lead to faster spread of information as well as quick feedback.

(a) Identify the type of organisation which permits ‘Steelo Ltd.’ they flow of communication in all the directions.

(b) State another advantage of the type of organisation identified in (a) above.

(c) State any two values which ‘Steelo Ltd.’ wanted to communicate to the society. **[4] CBSE,DELHI 2016**

1. Ajanta Foods Ltd. is engaged in the trading of ‘Noodles’. It has its registered office in Kolkata, manufacturing unit in Solan and marketing department at Delhi. Which type of organisational structure the company should adopt to achieve its target? **[1] CBSE,OD COMPTT. 2016**
2. An Indian information technology company presently employing 10,000 people, desires to expand its business in manufacturing, trading etc. It wants to become a global company. To achieve its objectives it has started shifting from a centralized to a decentralized management system. Identify the management function being performed by the company to become a decentralized company. **[1] CBSE,DELHICOMPTT. 2016**
3. Interaction among people at work gives rise to a network of social relationships among employees. This relationship emerges when people interact beyond their officially defined roles. When people have frequent contacts they cannot be forced into a rigid formal structure. Rather based on their interaction, and friendship they tend to form groups which show conformity in terms of interest. Name the form of relationships mentioned in the above lines and state its any four characteristics. **[5] CBSE,DELHICOMPTT. 2016**
4. Alliance Ltd. is engaged in manufacturing plastic buckets. The objective of the company is tomanufacture 100 buckets a day. To achieve this, the efforts of all departments are coordinatedand interlinked and authority-responsibility relationship is established among various jobpositions. There is clarity on how is to report to whom. Identify the function of management highlighted in above case.[1] CBSE,DELHI 2015
5. 'Himalaya Ltd.', is, engaged in manufacturing of washing machines. The target of the organisation is to manufacture 500 washing machines in a day. There is an occupational specialisation in the organisation which promotes efficiency of employees. There is no duplication of efforts in such type of organisation structure. Identify the type of organisation structure described above. **[1] CBSE,OD 2015**
6. Neeraj Gupta started a company 'YoYo Ltd.' with ten employees, to assemble economical computers for the Indian rural market. The company did very well in its initial years. AB the product was good and marketed well, the demand went up. To increase production the company decided to recruit additional employees. Neeraj Gupta, who was earlier taking all decisions for the company, had to selectively disperse the authority. He believed that people are competent, capable and resourceful and can assume responsibility for effective implementation of their decisions. This paid off and the company was not only able to increase its production but also expanded its product range with different features.
7. Identify the concept used by Neeraj Gupta through which he was able to steer his company to greater heights.
8. Also explain any three points of importance of this concept. **[4]CBSE,OD 2015**
9. To make the annual function of the school successful the principal of the schooldivided all the activities into task groups each dealing with a specific area likerehearsals, decoration, stage management, refreshments etc. Each group was placed under the overall supervision of a senior teacher. Identify the function of management performed by the Principal in doing so. **[1] CBSE,DELHICOMPTT. 2015**
10. A company has been registered under the Companies Act with an authorized share capital of Rs20,000 crores. Its registered office is situated in Delhi and manufacturing unit in a backward district of Rajasthan. Its marketing department is situated in Bhopal. The company is manufacturing Fast Moving Consumer Goods (FMCG). (i) Suggest with the help of a diagram a suitable organization structure for the company. (ii) State any three advantages of this organization structure. . **[4] CBSE,DELHICOMPTT. 2015**
11. It helps a manager to extend his area of operations as without it, his activities would be restricted to only what he himself can do. Identify the activity referred to, in the above statement and state its elements .**[4] CBSE,DELHICOMPTT. 2015**
12. Alliance Ltd is engaged in manufacturing plastic buckets. The objective of the company is to manufacture 100 buckets a day. To achieve this, the efforts of all departments are co-ordinate, and interlinked and authority responsibility relationship is established among various job positions. There is clarity on who is to report to whom. (i) Name the function of management discussed above (ii) List the steps in the process of the function identified above. (iii) How is “clarity on who is to report to whom” useful in carrying out the above function?
13. A manager, no matter how capable he is, cannot manage to do every task on his own. The volume of work makes it impractical for him to handle it all by himself. As a consequence, Mr. Rahul, production manager of Zee Ltd downwardly transfers some of his authorities viz. determining long term objectives, adapting suitable course of action and allocating resources etc. to Mr. Hemant, one of his subordinates.

(I) Name the process under which Mr. Rahul transfers some of his authority to Mr. Hemant. (ii) Name the elements of the process identified above. (iv) Distinguish between the elements with reference to ‘Flow’.

13. Radhika is the General Manager of Delta ltd. Radhika is facing a lot of problems regarding some policy on sales. The organization has an aim to increase sales by 20%.and return on investment by 10%. Instead of talking to the sales department, she directly consulted her friend Ayesha in finance department, about the problems. She talked to her freely about her problem. (i) Identify the type of organization followed by Ayesha ltd. (ii) Give any one advantage & one limitation of the organization identified above.

1. The directors of B Ltd. an organization manufacturing toys have asked their production manager to achieve a target production of 100 computers per day. The production manager has asked his foreman to achieve this target but he did not give him the authority for the requisition of tools & materials from the stores department. The foreman could not achieve the desired target. Can the directors blame the production manager, and can the production manager blame his foreman for not achieving target? Give reason in support of your answer.
2. Nowadays there is a trend in the companies to address all the employees with their first name, even the superiors. Which type of organization is encouraged by such actions and give its three features.
3. In 2006 AzimPremji decided to reorganize the Wipro Company. Wipro leadership was brought closer to the customers by removing the entire layer of management and empowered the business managers. They further empowered those who reported to them.

Name and explain the concept which led to empowerment.

Explain the importance of it. (any4).