



B.K. BIRLA CENTRE FOR EDUCATION

SARALA BIRLA GROUP OF SCHOOLS
A CBSE DAY-CUM-BOYS' RESIDENTIAL SCHOOL



PERIODIC TEST-1 2026-27 BUSINESS ADMINISTRATION (SET II)

Class: XII
Date: 12.06.26
Admission no:

Marking Scheme

Time: 1hr
Max Marks: 25
Roll no:

1.	(B) Forbes Global Magazine	(1)
2.	(C) Motion Study	(1)
3.	(A) Standardize the recipe and baking process	(1)
4.	(D) Main contributor to administrative management theory was Frederick Winslow Taylor	(1)
5.	(A) Both A and R are true, and R is the correct explanation of A	(1)
6.	(C) Selection	(1)
7.	(B) i-b, ii-c, iii-a, iv-d	(1)
8.	(D) Planning increase business related risks	(1)
9.	(B) Organising	(1)
10.	i) Workers can't only be motivated by money but they are socio-psychological beings & respond to total work situation. ii) Workers act or react not as individuals but as members of group. iii) Informal leaders play an important part in setting & enforcing group norms. iv) The amount of work to be done by a worker is not determined by his physical capacity but by the social norms.	(2)
11.	Policies - Policies may be described as plans which are meant to serve as broad guidelines to decision making in a firm. A policy should be definite, positive and clear. A policy is a standing plan which assist decision making and should be referred as a general statement of the established rule. Procedure – Procedure lays down the manner or method by which work is to be performed in a standard and uniform way. Procedure is a standing plan acting as a means of implementing a policy.	(2)
12.	Unity of command prevents dual subordination whereas unity of direction prevents overlapping of activities. Unity of command affects the efficiency of an employee whereas unity of direction affects the efficiency of the organization.	(2)
13.	a) Three principles can be identified. Division of Work, Scalar Chain and Authority & Responsibility b) Division of Work: Work should be divided into smaller tasks and assigned according to specialization. This reduces duplication, improves efficiency, and ensures employees focus on their strengths. Scalar Chain: A clear line of authority should exist from top management to the lowest level. Establishing a proper chain of communication will ensure employees know whom to approach, reducing delays and confusion. Authority & Responsibility: Managers must have the authority to give orders but must also take responsibility for the outcomes. This balance creates accountability, improves trust, and ensures	(3)

	employees respect managerial decisions. By applying Division of Work, Scalar Chain, and Authority & Responsibility, AX Automobiles Ltd. can minimize duplication, establish clear communication channels and build accountability —leading to improved organizational efficiency and harmony.	
14.	Functional structure- This type of organization structure is formed by grouping together all activities into functional department and putting each department under one head. Functional structure leads to specialization. It promotes efficiency and results in increased profits. Its suitable to organization where operations require high degree of specialisation. Divisional Structure- Large Companies often find it to operate as one large unit under a functional organizational structure. The size of the company makes it difficult for managers to oversee operations and screen customers. To overcome this problem, most large companies are now structured as divisional organisations. Each division functions relatively autonomously because it contains most of the functional expertise under each unit. Division can be formed according to product, customers, processes or geographical division.	(3)
15.	1) Basis of future action- Control provides the basis for future actions. It will reduce the chances of mistakes being repeated in future by suggesting preventive steps. 2) Facilitates decision making- The process of control is complete only when corrective measures have been taken. This requires taking a right decision as to what type of follow up action is to be taken. 3) Facilitates discipline and order – The existence of control system has a positive impact on the behaviour of the employees. They are cautious while performing their duties as they know they are being observed by their superiors. 4) Facilitates Coordination- Control helps in Coordination of the activities of various departments of the enterprise. It provides them unity of direction. 5) Facilitates motivation – A control system is most effective when it motivates people to high performance. Since most people respond to a challenge, successfully meeting a tough standard may provide a greater sense of accomplishment. 6) Effective plan Implementation-Controlling and planning are interdependent. Control is the only means to ensure that the plans are being implemented control points out short comings of not only planning but also other functions of management. Comparison can be done through various Performance report, Personal Observation	(4)

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