



DEPARTMENT OF MANAGEMENT STUDIES

BA5102 PRINCIPLES OF MANAGEMENT

Unit II - MCQ Bank

UNIT II PLANNING

Nature and purpose of planning- Planning process- Types of plans- Objectives- Managing by Objective (MBO) strategies- Types of strategies – Policies – Decision Making- Types of decision- Decision making process- Rational decision making process- Decision making under different conditions.

1. Henri Fayol, a French industrialist, first analyzed what managers do and divided that work into functions. The study of the management function that defines goals and establishes strategies to achieve them is called:

- A) **Planning**
- B) Organizing
- C) Leading
- D) Controlling

2. The plans which deal with a fairly small set of activities are called:

- A) Strategic plan
- B) Tactical plan
- C) **Operational plan**
- D) Personal plan

3. What does the acronym SMART stand for?

- a) Suitable, measurable, actionable, rewarded and timely
- b) Specific, measurable, actionable, resourced and timely
- c) Standardised, measurable, achievable, rewarded, and timely
- d) Specific, measurable, achievable, rewarded and timely**

4. Which of the following is not a recognised type of plan?

- a) Business
- b) Succession
- c) Ad hoc**
- d) Financial

5. To what time-frame do strategic plans relate?

- a) Long-term**
- b) Medium-term
- c) Short-term
- d) Unspecified time it takes to achieve an aim

6. Which is not a recognised form of business continuity planning?

- a) Contingency planning
- b) Scenario planning
- c) Financial planning

d) Building planning

7. What is the definition of a scenario in scenario planning?

a) An imagined sequence of future events

b) An unpredictable event

c) A planned for event

d) An unplanned for event

8. What is a succession plan?

a) Dismissing an employee for a more favourable employee

b) A formal process of planning to fill a role that will become vacant

c) A vote of no confidence in a board member

d) The formal process of acquiring a new staff member

9. 'There is no discernible link between planning and performance'. Who is this position held by?

a) Michael Porter

b) Milton Friedman

c) Gary Hamel

d) Henry Mintzberg

10. What one of the following is not a key management skill in planning?

a) Conceptual skills

b) Analytical skills

c) IT and computing skills

d) Communication skills

11. What is a definition of an objective?

a) A defined specified outcome to be achieved in the long-term

b) A clear set of goals to be attained given a set number of resources

c) A clearly defined and measurable outcome to be achieved over a specified timeframe

d) A set standard of performance agreed by workers and managers

12. Which of the following is not the function of management

a) staffing

b) planning

c) co-operation

d) controlling

13. Establishing standards, comparing actual results with standards and taking corrective.

actions are the steps included in the process of

a) controlling

b) directing

c) planning

d) organizing

14. Decision taken by supervisor could be

a) change in work schedule or rescheduling

b) Decision regarding rejection of raw material or finished products

c) Increase or decrease in production depending on current situations.

d) All of the above

15. The process by which actual performance of subordinates is guided towards common goal of the enterprise is called.....

- a) Organisation
- b) Unity of command
- c) Directing**
- d) Planning

16. Measuring actual performance is the _____ steps involved in the process of controlling.

- a) first
- b) second
- c) third**
- d) last

17. _____ is the most basic and primary function of Management

- a) Organizing
- b) Purchasing
- c) Directing
- d) Planning**

18. Identify the sub function which is not included in Directing function.

- a) Leadership
- b) Communication
- c) Supervision
- d) Co-ordination**

19. _____ Management is responsible for the image of the company.
- a) Low
 - b) Middle
 - c) Top**
 - d) Low and Middle
20. _____ can be defined as the set of steps to do the particular activity or activities in systematic manner.
- a) Organizing
 - b) Planning**
 - c) Directing
 - d) Motivating
21. The ability of a supervisor to choose the correct course of action from the available alternatives to achieve the desired aims and objectives of the business is termed as
- a) Controlling
 - b) Supervising
 - c) Directing
 - d) Decision Making**
14. Supervisors who use ___ management are more directive and controlling.
- a) strategic
 - b) human**
 - c) tactical
 - d) core
15. Planning may fail because of
- a) Incomplete knowledge of work

- b) Absence of data analysis
- c) Unrealistic nature of plan
- d) All of the Above**

16. which of the following is level of management

- a) Operational Level
- b) Strategical Level
- c) Tacticle Level
- d) All of the above**

17. The first step in the decision-making process is which of the following?

- a) Developing decision criteria
- b) Allocating weights to the criteria
- c) Analyzing alternatives
- d) Identifying a problem**

18. The _____ process transforms plans in to reality.

- a) Planning
- b) organizing
- c) directing
- d) all of above

19. Out of the following which is not function of management

- a) Planning
- b) Controlling
- c) Discipline**

20. All of the following are elements of planning Except

- a) Developing Plans
- b) Monitoring Performance**
- c) Establishing Strategies
- d) Coordinate Activities

21. Planning function of management is performed by

- a) Top Management
- b) Middle Management
- c) Lower Management
- d) All of the above**

23. Which is the appropriate reason of failure of good plan ?

- A) Insufficient data
- B) Lack of knowledge
- C) Over confidence
- D) All of the above**

24. A primary benefit of is:

- a) Avoid competition
- b) Resistance against new entrance
- c) Improve employee motivation**
- d) Increase resources

25. In Step 6 of the decision-making process, each alternative is evaluated by appraising it against the _____.

a) Subjective goals of the decision maker

b) Criteria

c) Assessed values

d) Implementation strategy

26. Selecting an alternative in the decision-making process is accomplished by option:

a) Choosing the alternative with the highest score

b) Choosing the One You Like Best

c) Selecting the alternative that has the lowest price

d) Selecting the alternative that is the most reliable

27. A plan developed to carry out a course of action that is not likely to be repeated in the future is called:

a) Single-use plan

b) Specific plan

c) Reaction plan

d) Direction plan

28. _____ function of management is concerned with both ends and means.

a) Organizing

c) Planning

b) Staffing

d) Directing

29. What is another name for contingency planning?

a) Synergy planning

b) Ad hoc planning

c) Business level planning

d) Scenario planning

30. In the MBO system:

a) Objectives are determined by management

b) Goals are only reviewed at the time of completion

c) Goals are used as controls

d) Progress is periodically reviewed

32. Strategic plans cover a broader view of the organization and include the formulation of goals, whereas operational plans define ways to:

a) Maximize the organization's profits

b) Achieve the goals

c) Minimize the number of employees

d) Provide the most efficient methods of production

33. Decision making is (simplistically) typically described as which of the following?

a) Deciding what is correct

b) Putting preferences on paper

c) Choosing among alternatives

d) Processing information to completion

34. _____ seeks to bridge the gap between where we are and where we want to reach?

(a) Organizing

(c) Planning

(b) Staffing

(d) Directing

35. The greater the risk involves in making a decision, the greater the:

a) Outcomes

b) Information available

c) Rewards

d) Uncertainty

36. If _____ is not taken into consideration, conditions in the environment may change and all business plans may go waste.

a) Objective

b) Time frame

c) Resources

d) Alternatives

37. Departments and individuals in the organization are able to work in coordination. Which importance of planning is highlighted in the above statement?

a) Planning provides direction.

b) Planning reduces overlapping and wasteful activities.

c) Planning reduces the risk of uncertainty.

38. Changes and events cannot be eliminated but they can be anticipated and managerial response to them can be developed. Which importance of planning is highlighted in the above statement?

a) Planning provides direction.

b) Planning reduces overlapping and wasteful activities.

c) Planning reduces the risk of uncertainty.

d) Planning facilitates decision making.

39. Planning ensures clarity in thought and action, work is carried out smoothly without interruptions. Which importance of planning is highlighted in the above statement?

a) Planning provides direction.

b) Planning reduces overlapping and wasteful activities.

b) Planning reduces the risk of uncertainty.

d) Planning facilitates decision making.

40. Planning involves setting targets and predicting future conditions, thus helping in making a choice. Which importance of planning is highlighted in the above statement?

a) Planning provides direction.

b) Planning reduces overlapping and wasteful activities.

b) Planning reduces the risk of uncertainty.

d) Planning facilitates decision making.

41. - _____ concept of Planning throws light on its nature and scope also.

a) Importance

b) limitations

c) Process

d) Features

42. Which feature of planning is highlighted in the above case?

a) Planning focuses on achieving objectives.

b) Planning is continuous.

c) Planning is the primary function of management.

d) Planning is pervasive.

43. A Plan is framed, it is implemented and is followed by another plan and so on. Which feature of planning is highlighted in the above case?

a) Planning focuses on achieving objectives.

b) Planning is continuous.

c) Planning is the primary function of management.

d) Planning is pervasive.

44. Sales Forecasting is the basis on which a business firm prepares its annual plan for production and sales. Which feature of planning is highlighted in the above case?

- a) Planning focuses on achieving objectives.
- b) Planning is continuous.
- c) Planning is the primary function of management.
- d) Planning is futuristic.**

45. While planning Forecasts regarding the demand for a particular good, policy changes, interest rates , prices of capital goods, tax rates are known as-

- a) Objectives.
- b) The course of action.
- c) Premises.**
- d) alternatives.

46. Identify the type of plan which provides broad contours of an organization's business.

- a) Objective
- b) Policy
- c) Strategy**
- d) Procedure

47. _____ and _____ type of plan are interlinked with each other.

a) **Policy and procedure.**

b) Policy and Rule.

c) Objective and policy.

d) Objective and Method.

48. MBO offers the basis for assessing the ---

A. Operations **B. performance** C. equality D. None these

49. MBO was developed by ----

A. Peter.F.Drucker B. Chester Bernard C. Fayol D. None

50. The process of MBO starts with ----

A. setting up of obligation B. Fetron plan C. Review D. All

51. Organisational decisions are made by -----

A. Directors **B. Managers** C. Managing directors D. None of these