

ORGANISING

STUDY NOTES

- **Meaning of Organising:**

The organising function leads to the creation of an organisational structure which includes the designing of roles to be filled by suitably skilled people and defining the inter relationship between these roles so that ambiguity in performance of duties can be eliminated.

- **Steps in The Process of Organising**

- | | |
|---------------------------------------|--|
| (a) Identification & Division Of Work | (b) Departmentalization |
| (c) Assignment Of Duties | (d) Establishing Reporting Relationships |

- **Importance of Organising**

- | | |
|------------------------------------|-------------------------------------|
| ➤ Benefits of specialisation | ➤ Clarity in working relationships. |
| ➤ Optimum utilization of resources | ➤ Effective Administration |
| ➤ Adaption to Change | ➤ Development of Personnel |
| ➤ Expansion and growth | |

- **Organisational Structure**

The organisation structure can be defined as the framework within which managerial and operating tasks are performed. It specifies the relationships between people, work and resources in an organisation.

- **Span of management** refers to the number of subordinates that can be effectively managed by a superior. The Span of management largely gives shape to the organization structure. This determines the levels of management in the structure.

- **Functional Structure:** In functional structure activities are grouped and departments are created on the basis of specific functions to be performed. For example, all the jobs related to production are grouped under production department, sales departments etc.

- *Suitability*

- Organizations which require high degree of functional specialization with diversified activities.
- Large organizations producing one line of product.

- **Divisional Organization Structure:**

Dividing the whole enterprise according to the major products to be manufactured (like metal, plastic, cosmetics etc.) is known as divisional organization structure.

- *Suitability*

- This structure is suitable in organizations producing multi product or different lines of products requiring product specialization.
- Growing companies which intend to add more lines of products in future adopt this structure.

- **Formal Organisation**

Formal organisation refers to the organisation structure that is designed by the management to accomplish organizational goals.

- *Features*

- It clearly defines the lines of authority and responsibility for every individual in an organization.
- It is a means to achieve the objectives specified in the plans.

● Informal Organisation

Interaction among people at work gives rise to a 'network of social relationships among employees' called the informal organisation.

Features

- It originates from the personal interaction of employees within an organisation.
- The standards of behaviour evolve from group norms.
- It doesn't have fixed channels of communication

● Delegation:

"Delegation of authority merely means the granting of authority to subordinates to operate within prescribed limits."

● Elements of Delegation

- **Authority:** Authority refers to the right to take decisions in order to guide the activities of others. Authority determines the superior subordinate relationship. Laws and the rules and regulations of the organisation restrict authority. Authority flows downward.
- **Responsibility:** Responsibility is the obligation of a subordinate to perform properly the assigned duty. If the subordinate has the responsibility for a job, he/ she must be given necessary authority to carry out that task.
- **Accountability:** Accountability implies being accountable for the final outcome. When a superior assigns a work to a subordinate, he/she is answerable to the superior for its outcome.

● Importance of Delegation

- Reduction of Executives' work load
- Quick and better decision are possible
- Better coordination
- Employee development
- High Morale of subordinates

● Decentralisation

"Decentralisation refers to systematic efforts to delegate to the lowest level, all authority except the one which can be exercised at central points".

● Importance of Decentralisation

- Develops initiative among subordinates
- Quick decision making
- Facilitates growth
- Develops managerial talent for future
- Relieves the top management
- Better Control

QUESTION BANK

MULTIPLE CHOICE QUESTIONS

1. The management function of organising ensures that efforts are directed towards the attainment of goals laid down in the planning function in such a manner that resources are used _____ and people are able to work collectively and _____ for a common purpose.
(a) Optimally, effectively
(b) Effectively, optimally
(c) Optimally, efficiently
(d) None of the above
2. The organizing function leads to the creation of an _____ structure which includes the designing of roles to be filled by suitably skilled people and defining the inter relationship between these roles so that ambiguity in performance of duties can be eliminated.
(a) Organizational
(b) Functional
(c) Divisional
(d) None of the above

3. Organising can be defined as a _____ that initiates implementation of plans by clarifying jobs and working relationships and effectively deploying resources for attainment of identified and desired results (goals).
 (a) Process (b) Task (c) Assignment of duties (d) None of the above
4. Organising leads to a systematic allocation of jobs amongst the work force. This reduces the _____ as well as enhances productivity because of the specific workers performing a specific job on a regular basis. Repetitive performance of a particular task allows a worker to gain experience in that area and leads to specialisation.
 (a) Workload (b) Task (c) Burden (d) None of the above
5. The establishment of working relationships clarifies _____ of communication and specifies who is to report to whom.
 (a) Ways (b) Lines (c) Methods (d) None of the above
6. Effective delegation allows the managers to reduce their workload by _____ routine jobs to their subordinates.
 (a) Taking (b) Reducing (c) Assigning (d) None of the above
7. Organising is a process by which the manager brings order out of chaos, removes conflict among people over work or _____ sharing and creates an environment suitable for teamwork.
 (a) Responsibility (b) Accountability (c) Authority (d) None of above
8. The organisation structure can be defined as the _____ within which managerial and operating tasks are performed. It specifies the relationships between people, work and resources. It allows correlation and _____ among human, physical and financial resources and this enables a business enterprise to accomplish desired goals.
 (a) Framework, coordination (b) Coordination, framework
 (c) Combination, relationship (d) None of the above
9. Grouping of jobs of similar nature under functional and organising these major functions as separate departments creates a _____ structure. All departments report to a coordinating head.
 (a) Divisional (b) Functional (c) Organisational (d) Either (a) or (c)
10. A _____ structure leads to occupational specialisation since emphasis is placed on specific functions. This promotes efficiency in utilisation of manpower as employees perform similar tasks within a department and are able to improve performance.
 (a) Divisional (b) Functional (c) Organisational (d) Either (a) or (b)
11. Which of the following activities are not part of the organizing function?
 (a) The whole activity is divided into task groups each dealing with a specific area.
 (b) All activities are under the overall supervision of the official in charge.
 (c) Delegate the task.
 (d) Coordinating relationships are established among the various groups.
12. "In a manufacturing concern division of work into key functions will include production, purchase, marketing, accounts and personnel. These departments may be further divided into sections. This structure helps to groups similar or related jobs together." Which type of organizational structure is explained in above example?
 (a) Divisional structure (b) Functional structure
 (c) Organizational structure (d) None of the above
13. "Organising involves a series of steps that need to be taken in order to achieve the desired goal." Organising is a process by which the manager:
 (a) Establishes order out of chaos, the establishment of such clear relationships helps to create a hierarchal structure.
 (b) Removes conflict among people over work or responsibility sharing
 (c) Creates an environment suitable for teamwork, proper match is made between the nature of a job and the ability of an individual.
 (d) All of the above

14. "Organising is the process of defining and grouping the activities of the enterprise and establishing authority relationships among them." Identify the correct sequence of steps to be followed in an organising process.
- departmentalisation, establishing reporting relationships, assignment of duties, identification and division of work
 - identification and division of work, establishing reporting relationships, departmentalisation, assignment of duties
 - identification and division of work, assignment of duties, departmentalisation, establishing reporting relationships
 - identification and division of work, departmentalisation, assignment of duties, establishing reporting relationships.
15. It refers to the number of subordinates that can be effectively managed by a superior. This determines the levels of management in the structure. It gives shape to the organization structure. What is it?
- Span of management
 - Number of employees
 - Planning
 - Extent of delegation
16. The concept of management which involves the grouping of the required tasks into manageable departments or work units and establishments of authority and reporting relationships within the organizational hierarchy is called:
- Planning
 - Organizing
 - Staffing
 - Directing
17. The functional structure has certain disadvantages which an organisation must take into consideration before it adopts it. Which of the following is not a demerit of functional structure?
- It places more emphasis on the objectives pursued by a functional head than on overall enterprise objectives.
 - It leads to occupational specialization.
 - It may lead to conflict of interests among departments due to varied interests.
 - It may lead to difficulty in co-ordination among functionally differentiated departments.
18. Mission education coaching institute is organizing a six days workshop for cbse teachers. In order to ensure smooth functioning of the event, mission education has made ms. Aakshi and ms. Savia as co-ordinators to take care of activities related to registration and refreshment. Identify the function of management being carried out by mission education.
- planning
 - organising
 - staffing
 - directing
19. "Delegation is the entrustment of responsibility and authority to another and the creation of accountability for performance." which of the following is not an element of delegation?
- Decentralisation
 - Authority
 - Accountability
 - Responsibility
20. "Accountability implies being answerable for the final outcome. Once authority has been delegated and responsibility accepted, one cannot deny accountability. It cannot be delegated and flows upwards, i.e., a subordinate will be accountable to a superior for satisfactory performance of work. It indicates that the manager has to ensure the proper discharge of duties by his subordinates." In context of accounting which statement from the following is correct?
- Accountability flows upward
 - Accountability flows downward
 - Accountability flows in any direction
 - None of the above
21. "It can be stated that while authority is delegated, responsibility is assumed, accountability is imposed. Responsibility is derived from authority and accountability is derived from responsibility." The above given statement is correct
- In all circumstances
 - In few circumstances
 - Only in large organisations
 - None of the above
22. "By empowering the employees, the managers are able to function more efficiently as they get more time to concentrate on important matters. Freedom from doing routine work provides them with opportunities to excel in new areas" this is importance of
- Delegation
 - Decentralisation
 - Organisational
 - None of the above

23. "Everything which goes to increase the importance of a subordinate's role is decentralisation, everything that goes to reduce it is centralisation." Which of the following statement is true?
- In a decentralized organisation there is no need for supervision over the activities of subordinates, they will achieve the targets on their own.
 - Those organisations in which decision making authority lies with the top management are termed as centralised organisations
 - A large size organisation can be totally decentralized
 - The purpose of decentralisation is to lessen the burden of the managers
24. It arises from a superior subordinate relationship according to davis philly "it is the obligation of the individual to perform assigned duties to the best of his abilities under the direction of his executive" it is the obligation of a subordinate to properly perform the assigned duty. What is it?
- Responsibility
 - Authority
 - Accountability
 - All of the above
25. Which of the following statements is false in context of functional structure?
- It promotes control and coordination within a department because of similarity in the tasks being performed.
 - It makes training of employees easier as the focus is only on a limited range of skills.
 - A conflict of interests may arise when the interests of two or more departments are not compatible.
 - A functional structure places more emphasis on overall enterprise objectives than the objectives pursued by a functional head. Such practices may lead to functional empires wherein the importance of a particular function may be over emphasised.
26. Authority helps the manager to ensure that their subordinates discharge his duties properly it is the obligation of subordinate to properly perform the assigned duty. Authority granted to an employee should be:
- more than the responsibility entrusted to him
 - equal to the responsibility entrusted to him
 - less than the responsibility entrusted to him
 - all of the above
27. It eliminates the time and effort you spent on distracting activities and other unproductive behavior. It helps the managers to ensure that their subordinate discharges his duties properly. What is it?
- Responsibility
 - Authority
 - Accountability
 - All of the above
28. Being accountable means standing by decisions actions and the overall well-being of projects accountability is also a management process that ensures employees answer to their support for their actions and their two supervisors behave responsibly as well. The accountability flows
- in all directions
 - downwards
 - upwards
 - none of the above
29. Delegation is the process a manager follows in dividing the work assigned to him so that he performs that part which only he because of his unique organisational placement, can perform effectively and so that he can get others to help with what remains. Which of the following can be delegated?
- authority
 - responsibility
 - accountability
 - all of the above
30. In context of delegation, which of the following statement is not correct?
- It is downward transfer of authority from a superior to a subordinate.
 - It is a pre-requisite to the efficient functioning of an organisation because it enables a manager to use his time on high priority activities.
 - It satisfies the subordinate's need for recognition and provides them with opportunities to develop and exercise initiative.
 - Delegation means abdication

31. Match the concept given in column I with the explanation given in column II

Column I		Column II	
I.	In this type of organisation less focus is given on overall enterprise targets	A.	Functional structure
II.	There are chances of flexibility and initiative as the departments function as autonomous units.	B.	Divisional structure
III.	It was quite obvious that they could now sit, relax and focus on other areas.	C.	Decentralisation
IV.	On basis of territory products etc.	D.	Departmentalisation

(a) I - C, II - B, III - A, IV - D

(b) I - B, II - A, III - C, IV - D

(c) I - A, II - C, III - B, IV - D

(d) I - C, II - A, III - B, IV - D

32. Match the concept given in column I with the given in column II.

Column I		Column II	
I.	Organising	A.	Activities which are similar in nature are grouped together through this step
II.	Departmentalisation	B.	Answer ability of an employee towards final outcome if the work is complete or not
III.	Accountability	C.	The process of defining and grouping the activities of the enterprise and establishing authority relationship among them
IV.	Assignment of duties	D.	Work must be assigned to those who are most fitted to it

(a) I - C, II - B, III - A, IV - D

(b) I - B, II - A, III - C, IV - D

(c) I - A, II - C, III - B, IV - D

(d) I - C, II - A, III - B, IV - D

33. Match the concept given in column I with the given in column II.

Column I		Column II	
I.	Element of delegation	A.	Product specialisation
II.	Divisional structure	B.	Authority
III.	Span of management	C.	No. Of subordinates
IV.	Expansion and growth	D.	Importance of organising

(a) I - C, II - B, III - A, IV - D

(b) I - B, II - A, III - C, IV - D

(c) I - A, II - C, III - B, IV - D

(d) I - C, II - A, III - B, IV - D

34. Match the concept given in column I with the statement/explanation given in column II.

Column I		Column II	
I.	Benefit of specialisation	A.	Proper uses of all material, financial and human resources
II.	Optimum utilisation of resources	B.	It leads to systematic allocation of jobs amongst the work force
III.	Adaptation to change	C.	It provides stability to the enterprise
IV.	Optimum utilisation	D.	Maximum use

(a) I - C, II - B, III - A, IV - D

(b) I - B, II - A, III - C, IV - D

(c) I - A, II - C, III - B, IV - D

(d) I - C, II - A, III - B, IV - D

35. Match the concept given in column I with the statement/explanation given in column II.

Column I		Column II	
I.	Functional and divisional	A.	Step of organization process
II.	Establishing reporting relationship	B.	Importance of organization
III.	Effective administration	C.	Type of organization structure
IV.	Adaptation to Change	D.	Organisation is flexible

(a) I – C, II – B, III – A, IV – D

(b) I – B, II – A, III – C, IV – D

(c) I – A, II – C, III – B, IV – D

(d) I – C, II – A, III – B, IV – D

36. Match the concept given in column I with the statement/explanation given in column II.

Column I		Column II	
I.	Decentralization	A.	It is a compulsory act
II.	Delegation	B.	It is optional policy decision
III.	Functional structure	C.	It promotes control and coordination within departments
IV.	Development of Personnel	D.	Importance of organising

(a) I – C, II – B, III – A, IV – D

(b) I – B, II – A, III – C, IV – D

(c) I – A, II – C, III – B, IV – D

(d) I – C, II – A, III – B, IV – D

37. Match the concept given in column I with the statement/explanation given in column II.

Column I		Column II	
I.	It arises from delegation of authority	A.	Centralisation
II.	It cannot be delegated	B.	Accountability
III.	Retention of decision-making authority	C.	Responsibility
IV.	Large organisations producing one line of product	D.	Functional structure

(a) I – C, II – B, III – A, IV – D

(b) I – B, II – A, III – C, IV – D

(c) I – A, II – C, III – B, IV – D

(d) I – C, II – A, III – B, IV – D

38. Match the concept given in column I with the statement/explanation given in column II.

Column I		Column II	
I.	A structure which makes training of employees easier as the focus is only on limited range of skills	A.	Divisional structure
II.	Under this structure, a manager gains experience in all functions related to a particular product.	B.	Functional structure
III.	Dispersal of authority to take decisions throughout the organization, upto the lower levels.	C.	Decentralisation
IV.	Boundaries of authority responsibility is clearly defined.	D.	Formal organisation

(a) I – C, II – B, III – A, IV – D

(b) I – B, II – A, III – C, IV – D

(c) I – A, II – C, III – B, IV – D

(d) I – C, II – A, III – B, IV – D

39. Match the concept given in column I with the statement/explanation given in column II.

Column I		Column II	
I.	A system of job positions and the authority relationship among various job positions.	A.	Significance of delegation of authority
II.	Basis of management hierarchy	B.	Benefit due to decentralisation
III.	Relieves the top executives from excess workload	C.	Organizational structure
IV.	Not through a planned route	D.	Informal organisation

(a) I – C, II – B, III – A, IV – D

(b) I – B, II – A, III – C, IV – D

(c) I – A, II – C, III – B, IV – D

(d) I – C, II – A, III – B, IV – D

40. Match the concept given in column I with the statement/explanation given in column II.

Column I		Column II	
I.	Tall structure has a	A.	Organization structure
II.	It is the outcome of the organizing process	B.	Return of investment
III.	Personal supervision by a supervisor is generally replaced by other forms of control	C.	Narrow span of management
IV.	Formal organisation	D.	Clearly defines the lines of authority

(a) I – C, II – B, III – A, IV – D

(b) I – B, II – A, III – C, IV – D

(c) I – A, II – C, III – B, IV – D

(d) I – C, II – A, III – B, IV – D

41. Match the concept given in column I with the statement/explanation given in column II.

Column I		Column II	
I.	The accountability flows	A.	Downward
II.	The responsibility flows	B.	Upwards
III.	Authority flows	C.	Upward
IV.	Ownership flows	D.	In no direction

(a) I – C, II – B, III – A, IV – D

(b) I – B, II – A, III – C, IV – D

(c) I – A, II – C, III – B, IV – D

(d) I – C, II – A, III – B, IV – D

42. Match the concept of in column I with their respective steps involved in the process of organizing in column II.

Column I		Column II	
I.	Qualifications, experience, ability and aptitudes of people should be matched with duties.	A.	Departmentalization
II.	Aims at achieving co-ordination and facilitate unity of action	B.	Assignment of duties
III.	As far as possible, it should define expected results along with the job	C.	Identification & division of work
IV.	Who will report to whom	D.	Establishing reporting relationship

(a) I – C, II – B, III – A, IV – D

(b) I – B, II – A, III – C, IV – D

(c) I – A, II – C, III – B, IV – D

(d) I – C, II – A, III – B, IV – D

43. Match the concept given in column I with the statement/explanation given in column II.

Column I		Column II	
I.	Span of management	A.	Tall structure
II.	Arrow span of management results in	B.	Number of subordinates that can be effectively managed by a superior.
III.	Wider span of management results in	C.	Flat structure
IV.	Nature is rigid	D.	Formal organisation

(a) I – C, II – B, III – A, IV – D

(b) I – B, II – A, III – C, IV – D

(c) I – A, II – C, III – B, IV – D

(d) I – C, II – A, III – B, IV – D

44. Match the concept given in column I with the statement/explanation given in column II.

Column I		Column II	
I.	Authority retained at top level	A.	Decentralization
II.	Systematic delegation of authority at all levels and in all departments of a firm.	B.	Centralization
III.	Less freedom to take decisions due to more control by the superiors.	C.	Delegation
IV.	Authority	D.	Arises from formal position

(a) I – C, II – B, III – A, IV – D

(b) I – B, II – A, III – C, IV – D

(c) I – A, II – C, III – B, IV – D

(d) I – C, II – A, III – B, IV – D

45. Match the concept given in column I with the statement/explanation given in column II.

Column I		Column II	
I.	The power of taking decisions in order to guide the activities of others. Authority is that power which influences the conduct of others.	A.	Responsibility
II.	When a superior assign some work to a subordinate, he is answerable to his superior for its success or failure	B.	Accountability
III.	It is the obligation of a subordinate to properly perform the assigned duty. When a superior issues orders, it becomes the responsibility of the subordinate to carry it out.	C.	Authority
IV.	Responsibility	D.	Arises from delegated authority

(a) I – C, II – B, III – A, IV – D

(b) I – B, II – A, III – C, IV – D

(c) I – A, II – C, III – B, IV – D

(d) I – C, II – A, III – B, IV – D

46. Match the concept of marketing in column I with their respective definition in column II.

Column I		Column II	
I.	Responsibility	A.	Arises from responsibility.
II.	Accountability	B.	Can be withdrawn anytime by giving notice.
III.	Authority	C.	Arises from delegated authority.
IV.	Importance of delegation	D.	High morale of subordinates

(a) I – C, II – B, III – A, IV – D

(b) I – B, II – A, III – C, IV – D

(c) I – A, II – C, III – B, IV – D

(d) I – C, II – A, III – B, IV – D

47. Elements of delegation are:
 (a) Authority, responsibility, accountability (b) Decentralization, centralisation
 (c) Accountability, authority (d) All of the above
48. Which of the following is not a merit of divisional structure?
 (a) Leads to product specialization (b) Provides greater accountability
 (c) Helps in expansion and growth (d) Departmental conflicts
49. For large variety of products and for large sized multiple product firm, which type of organisational structure is suitable?
 (a) Divisional structure (b) Functional structure
 (c) Productive structure (d) None of the above
50. Which of the following is not a merit of functional structure?
 (a) Promotes effective control and coordination (b) Avoids duplication
 (c) Facilitates is in supervision (d) Leads to product specialization
51. It is important to understand the responsibility for the work assigned can be delegated by a superior to his subordinate but ultimate responsibility cannot be delegated. The ultimate responsibility of a superior is absolute. Responsibility is derived from:
 (a) authority (b) formal position (c) accountability (d) all of the above
52. Accountability can never be delegated and is set to be imposed which means under no circumstances a subordinate escaped from his accountability the fixation of answerability ensures that the subordinate is expected to provide regular feedback on the work assigned in terms of its progress status of its completion problems if any and so on. Accountability is derived from:
 (a) Authority (b) Formal position (c) Responsibility (d) All of the above
53. In context of accountability, which of the following statement is true:
 (a) Can be delegated (b) Cannot be entirely delegated
 (c) Can not be delegated at all (d) Arises from delegated authority
54. "It helps to motivate employees. This is because when a superior assign a task to his subordinates it affirms his belief in the competence. As a result, it fosters relationship of trust and commitment amongst the two of them. Consequently, the self-esteem and confidence of subordinates increases which plays a very positive role in improving his/her performance." What is it?
 (a) Delegation (b) Decentralization (c) Centralization (d) None of the above
55. "It facilitates better coordination amongst the department levels and functions of management by providing clarity in reporting relationships it clearly defines what is quantum of authority responsibility and accountability associated with each job position it helps to clearly established though jurisdiction within which each employee is expected to function. As a result, video of duplication of work and overlapping of duties is minimized." It is:
 (a) Importance of organization (b) Importance of delegation
 (c) Importance of decentralization (d) Either (a) or (b)
56. "To give control of all parts of organization to a group of people in one place is centralized." When decision-making authority is retained by higher management levels, an organisation is said to be
 (a) Decentralised (b) Centralised (c) Fragmented (d) None of the above
57. Name the process which co-ordinates human efforts, assembles resources and integrates both into a unified whole to be utilised for achieving specified objectives, which is the establishment of authority and relationships with provision for coordination between them both vertically and horizontally in the enterprise structure:
 (a) Management (b) Planning (c) Organising (d) Directing
58. Every organization is likely to adopt this keeping in view the nature and types of activities to be carried out for accomplishing its objectives. It is defined as the framework within which managerial and operating tasks are performed.
 (a) span of management (b) organisational structure
 (c) informal organisation (d) none of the above

59. It gives shape to organization structure; this determines the level of management in the structure. It refers to the number of subordinates that can be effectively managed by a superior,
- (a) Organisational structure (b) Informal organisation
(c) Span of management (d) None of the above
60. With the wider span there will be less hierarchical levels, and thus, the organisational structure would be flatter. Whereas the narrow span, the hierarchal level increases hence the organizational structure would be tall. As the span of management increases in an organisation, the number of levels of management in the organization:
- (a) Increases (b) Decreases (c) Remains unaffected (d) None of the above
61. Identify the type of organisational structure which facilitates occupational specialisation,
- (a) functional structure (b) horizontal structure
(c) network structure (d) divisional structure
62. Identify the type of organisational structure which makes training of employees easier, as the focus is only on a limited range of skills.
- (a) Network structure (b) Divisional structure (c) Functional structure (d) Matrix structure
63. This type of organisational structure is most suitable when the size of the organisation is large, has diversified activities and operations require a high degree of specialisation,
- (a) Divisional structure (b) Functional structure
(c) Network structure (d) Matrix structure
64. Which of the following is not a feature of functional structure?
- (a) It promotes functional specialisation (b) Managerial development is difficult
(c) It is an economical structure to maintain (d) It is easy to fix responsibility for performance
65. Which of the following is not a merit of divisional structure?
- (a) It promotes product specialisation.
(b) It ensures that different functions get due attention.
(c) It promotes flexibility and faster decision making.
(d) It facilitates expansion and growth as new divisions
66. Which of the following is not a demerit of divisional structure?
- (a) It is an expensive structure to maintain, since there may be a duplication of activities across products.
(b) All functions related to a particular product are integrated in one department.
(c) Conflict may arise among different divisional heads due to different interests.
(d) Authority provided to the managers to supervise all activities related to a particular division may lead to undesirable consequences.
67. "Twelve students work for the school library in the summer vacations. One afternoon they are told to unload a shipment of new releases, stock the bookshelves, and then dispose of all waste (packaging, paper etc). If all the students decide to do it in their own way, it will result in mass confusion. However, if one student supervises the work by grouping students, dividing the work, assigning each group their quota and developing reporting relationships among them, the job will be done faster and in a better manner." What has been explained in above given example?
- (a) Process of organising (b) Importance of organising
(c) Types of organising (d) None of the above
68. "Sunita opened her own travel agency. The success of her travel agency depends on a harmonious relationship between the customer and the employees of the travel agency. In order to achieve this objective, she has divided the entire work of the agency into three subheads based on the functions namely operations, sales and administration. Operations include travel counsellor, reservation and ticketing and customer care. Sales include the accounts executive. Administration includes book keeper, cashier and utility personnel. This division of work on the basis of functions has resulted into an organisational structure specifying the line of authority and responsibility." This example is indicating towards:
- (a) Organisation structure (b) Organisation meaning
(c) Organisation importance (d) None of the above

69. Dk zplus industries is world famous in electrical goods manufacturing. In this organisation work has been divided on the basis of different products manufactured. Under which type of organization structure, manpower is grouped in this organisation.
- (a) Organisational structure (b) Functional structure
(c) Divisional structure (d) Matrix structure
70. Durgaprasad limited is a company dealing in steel products. The work is mainly divided into functions including production, purchase, marketing, accounts and personnel. Identify the type of organisational structure followed by the organisation.
- (a) Divisional structure (b) Functional structure (c) Relational structure (d) None of the above
71. In Radhika industries the sales department insisting on a customer friendly design may cause difficulties in production. Such dissension can prove to be harmful in terms of fulfillment of organisational interest. Inter departmental conflicts can also arise in the absence of clear separation of responsibility. This is the example of disadvantages of:
- (a) Functional structure (b) Divisional structure (c) Delegation (d) Decentralisation
72. Tushar limited is a company dealing in plastic products. This company buys raw material from other small suppliers, after segregation the material is supplied to other dealers. The work is mainly divided into functions including purchase, segregation, marketing, accounts and personnel. Identify the type of organisational structure followed by the organisation.
- (a) Functional structure (b) Relational structure
(c) Divisional structure (d) None of the above
73. Vedaansh has joined as a software development engineer in an multinational company. He is the head of 50 people team. He is doing his best to achieve organizational goals. He always ensures that the work has been divided into small and manageable activities and also the activities of similar nature are grouped together. Identify the related step in organising process being mentioned in the above lines.
- (a) Identification and division of work (b) Departmentalisation
(c) Assignment of duties (d) Establishing reporting relationships
74. Samir builders has a staff of seventy people. Since most owners are generally interested in acquiring only a specific type of constructed facility. Samir should be aware of common industrial practices for the type of construction pertinent to them. The work has been divided among employees on basis of construction skills, professional skills, marketing skills, finance management and interior decorators. Which is grouped into different departments. Identify the type of organisational structure being followed by the company.
- (a) Functional structure (b) Divisional structure
(c) Informal structure (d) None of the above

75 Observe the image given below:

Identify which concept is discussed in above given image:

- (a) Creation of accountability for performance
(b) Authority given to boss
(c) No delegation leads to overburden on manager
(d) None of the above



INPUT-TEXT BASED MCQs

Read the following text and answer the following questions (76 to 79) on the basis of the same:

Reliance jio founded in 2007, in 2014 jio plan to hire 500 professionals; plans to launch services by september 2015. "unlike an idea cellular which is very decentralised in decision-making, or an airtel or a vodafone which have devolved certain powers to the circle heads and so on, jio has decided to go in for a very centralised structure," the person said. This means, most decisions at reliance jio will be taken at the national headquarters in mumbai while their execution will be left to the circles. The company has launched various applications along with its new 4G cellular network. Some of these apps are available only for jio sim users. The company is looking forward to make up for the late entry to the telecom industry with the help offered high speed internet and exclusive services.

76. Identify organization structure adopted by "jio".
 (a) Functional structure (b) Divisional structure (c) Either (a) or (b) (d) None of the above
77. Which concept of management is used by jio head?
 (a) Delegation (b) Authority (c) Responsibility (d) Decentralization
78. In jio departmentalisation is there or not?
 (a) Yes (b) No (c) May be (d) May not be
79. In decentralised organisation, personal supervision by a superior is generally replaced by other forms of control such as:
 (a) Critical point control (b) Control by exception
 (c) Return on investment (d) None of these

Read the following text and answer the following questions (80 to 83) on the basis of the same:

Maruti has a functional organizational structure with horizontal linkages. The activities are divided based on the following functions finance, marketing, engineering and sales, spares, production, material, parts inspection, quality assurance, human resource development, information technology, new business and administration, the centralisation is very low in maruti as the decision-making authority is quite decentralized and disturbed across all levels. It is a very big organization and further divided into smaller divisions. There are 29 divisions in maruti and are headed by one divisional head which is a functional post. These divisions are divided into 132 departments and which are headed by one departmental head which is again a functional post. In maruti the formalization is very high all the methods, procedures, standards are written down formally. All the departments have department procedures which describe the role of work of the department as well as their responsibilities and work flow. The procedures are approved by divisional head and are also available for the concerned departments. In production shops the standard operating procedures are displayed on the workstations and are known as maruti operations standards. The structure of maruti is flat. Generally, the employees are divided into six functional heads namely workers and technicians, supervisors, executives, section manager, department manager and division manager. Changes in structure in view of increasing competition the automotive sector maruti has tried to use a project-based structure to handle the problems effectively. Around two years back in meeting of senior and middle level executives to form teams which would focus on specific goals. Around 30 teams of about 8-10 members are formed. These teams have specific mandates in terms of cost reduction and new product development and were given resources and authority in order to implement the project.

80. In Maruti, authority has been transferred from superior to subordinate, this is called:
 (a) Delegation (b) Decentralization (c) Authority transfer (d) None of the above
81. If adopted, organisation structure remains same, for forever:
 (a) Agree with the statement (b) Not agree
 (c) Depends up to decisions of higher authority (d) Depends up to working/ production type of the company
82. In Maruti Suzuki activities have been identifying and work has been divided into small and manageable activities and then it has grouped those activities which are similar in nature this entire grouping process in maruti suzuki is known as it's
 (a) Divisions (b) Organizational structure
 (c) Delegation (d) None of the above
83. The organisation structure off of form is shown in:
 (a) Organisation chart (b) Span management (c) Functional structure (d) Divisional structures

Read the following text and answer the following questions (84 to 87) on the basis of the same:

The president issued proclamation no. 922, dated march 8, 2020, declaring a state of public health emergency throughout the philippines, due to the covid-19 outbreak, and enjoined "(a)all government agencies and lqus...to render full assistance and cooperation and mobilize the necessary resources to undertake critical, urgent, and appropriate response and measures in a timely manner to curtail and eliminate the covid-19 threat."

This guidance recognizes that under ra 9155, otherwise known as the governance of basic education act of 2001, deped is vested with authority, accountability and responsibility for ensuring access to, promoting equity in, and improving the quality of basic education. The law provides that the "secretary of the department of education shall exercise overall authority and supervision over the operations of the department" including all its officials, personnel and schools throughout the country.

84. "deped is vested with authority, accountability and responsibility for ensuring access to, promoting equity in, and improving the quality of basic education." _____ arises from superior subordinate relationship

because the subordinate, the entire education system is bound to perform the duty assigned by department of education (superior).

- (a) Responsibility (b) Accountability (c) Authority (d) Decentralization
85. The law provides that the “secretary of the department of education shall exercise overall authority and supervision over the operations of the department” including all its officials, personnel and schools throughout the country. Dash helps the managers to ensure their subordinate discharge his duties properly _____
- (a) Responsibility (b) Authority (c) Accountability (d) All of the above
86. If after passing this order the educational organizations try to delegate which of the following can be delegated
- (a) Responsibility (b) Authority (c) Accountability (d) All of the above
87. Like in this education system when decision making what already is retained by higher management levels an organisation is said to be
- (a) Decentralised (b) Centralised (c) Fragmented (d) None of the above

Read the following text and answer the following questions (88 to 91) on the basis of the same:

Rameshwaram limited set up its laptop parts manufacturing factory in itharna village dehradun where subsidies are provided by government and on this hilly area labor is available at cheaper price. Rameshwaram limited was able to produce its products at low cost thereby generating double of profits in this year it was because of the fact that limit source authority and responsibility of the employees were clearly defined and the activity is over all departments were coordinated and integrated. All employees are happy and are regular do the work the production manager of the company also comes to know about availability of raw material at cheaper rates from a vendor in haridwar. For this he wrote a letter to managing director of the company rameshwaram limited for getting sanction. But as managing director of the company is out of the country, due procedural delays in getting this sanction and procuring funds from finance manager the order could not be placed.

88. Identify the element of delegation that led to procedural delays and because of which company could not get the advantage of procuring raw material at cheaper rates
- (a) Responsibility (b) Authority (c) Accountability (d) All of the above
89. Type of structure followed in rameshwaram limited is:
- (a) Functional (b) Divisionals (c) Decentralisation (d) Centralisation
90. This process which is coordinating human efforts assembling resources we continue with the production of this pandemic also and integrates both into a unified whole to be utilized for achieving specified objectives. Name the process:
- (a) Management (b) Planning (c) organizing (d) Directing
91. It arises from them the established scalar chain which links the various job positions and levels of an organization
- (a) Responsibility (b) Authority (c) Accountability (d) All of the above

ANSWERS

Multiple Choice Questions

- | | | | | | | | | | |
|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| 1. (a) | 2. (a) | 3. (a) | 4. (a) | 5. (b) | 6. (c) | 7. (c) | 8. (a) | 9. (a) | 10. (b) |
| 11. (c) | 12. (a) | 13. (d) | 14. (d) | 15. (a) | 16. (b) | 17. (b) | 18. (b) | 19. (a) | 20. (b) |
| 21. (a) | 22. (a) | 23. (b) | 24. (a) | 25. (c) | 26. (b) | 27. (c) | 28. (c) | 29. (a) | 30. (d) |
| 31. (c) | 32. (d) | 33. (b) | 34. (b) | 35. (d) | 36. (b) | 37. (c) | 38. (a) | 39. (d) | 40. (d) |
| 41. (a) | 42. (b) | 43. (b) | 44. (b) | 45. (a) | 46. (d) | 47. (a) | 48. (d) | 49. (a) | 50. (d) |
| 51. (a) | 52. (c) | 53. (c) | 54. (a) | 55. (b) | 56. (b) | 57. (c) | 58. (b) | 59. (c) | 60. (b) |
| 61. (a) | 62. (c) | 63. (b) | 64. (c) | 65. (b) | 66. (b) | 67. (a) | 68. (a) | 69. (c) | 70. (b) |
| 71. (a) | 72. (a) | 73. (b) | 74. (a) | 75. (a) | | | | | |

Input-Text Based MCQs

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|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| 76. (b) | 77. (d) | 78. (a) | 79. (c) | 80. (a) | 81. (d) | 82. (b) | 83. (a) | 84. (b) | 85. (c) |
| 86. (b) | 87. (b) | 88. (b) | 89. (a) | 90. (c) | 91. (b) | | | | |

