



## MCQs on Basic Principles of Management Set-7

- Q.1 Which function of management follows planning?
- Decision making
  - Control
  - Organising
  - None of the above
- Q.2 What is the basis of an organisation?
- Co-ordination
  - Decision making
  - Planning
  - Division of work
- Q.3 Which is not true about an organization?
- It is a machine of management
  - It is a dynamic process
  - Specific Objectives
  - Plurality of Person
- Q.4 Formal organization exist:
- When two or more people interact for a purpose or in a manner not specified by management
  - As a result of the official structures and systems designed by managers through the organizing activity
  - Beyond the organization structure
  - In any type of group activity
- Q.5 According to Lyndall and Urwick the ideal number of subordinates for all supervisory authorities are:
- Eight
  - Six
  - Four
  - Twelve
- Q.6 From the perspective of subordinates, a span that is too large may:

[www.maggubhai.com](http://www.maggubhai.com)

Follow us on [Telegram](#), [Facebook](#) and [Instagram](#) for frequent updates



- a. Prevent them from getting needed supervisory support
  - b. Allow them wide latitude of autonomy at work
  - c. Make them feel free and work more
  - d. Help them earn more in the long run
- Q.7 As an enterprise grows the span of management limitations force:
- a. A decrease in the number of levels simply because there are few people to supervise
  - b. An increase in the number of levels simply because there are more people to supervise
  - c. To employ limited number of employees
  - d. The level of employment to remain optimum
- Q.8 Which of them is the additional organization unit?
- a. Production
  - b. Advertising
  - c. Marketing
  - d. Finance
- Q.9 In what kind of organization, managers prescribe expected behaviour through job descriptions, rules and policies?
- a. Formal
  - b. Informal
  - c. Social
  - d. None of the above
- Q.10 The basic pattern of many organization structures revolves around:
- a. Finance
  - b. Production activities
  - c. Two important activities: personal and production
  - d. Three fundamental activities: production, marketing and finance
- Q.11 An organization must be viewed by all managers at all levels as:
- a. A source of living
  - b. A cohesive whole
  - c. Independent functional units
  - d. An important national wealth
- Q.12 A matrix can create too much democracy and foster an environment of:

[www.maggubhai.com](http://www.maggubhai.com)

Follow us on [Telegram](#), [Facebook](#) and [Instagram](#) for frequent updates



- a. Peaceful co-existence
- b. Harmonious relations
- c. Too little action via endless delays for debate
- d. Lawlessness

Q.13 Which is true about the process of departmentation?

- a. There is not any relation between the growth of organization and department
- b. Departmentation is the effective grouping of jobs
- c. It refers to the informal structure of organization
- d. Departmentation does not create more sub units

Q.14 The drawbacks of Matrix organization don't include:

- a. Severe grouping
- b. Power struggle
- c. Anarchy
- d. Low overhead cost

Q.15 Means of departmentation do not include:

- a. Departmentation by territory
- b. Departmentation by product
- c. Departmentation by customer
- d. All above

Q. No.	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
Answers	c	d	c	b	c	a	b	b	a	d	c	c	b	d	d

[www.maggubhai.com](http://www.maggubhai.com)

Follow us on [Telegram](#), [Facebook](#) and [Instagram](#) for frequent updates



## MCQs on Basic Principles of Management Set-8

- Q.1 The efficient and effective grouping of jobs into meaningful work is known as:
- Work distribution
  - Organisation
  - Departmentation
  - Controlling
- Q.2 The three fundamental activities of an organization don't include:
- Production
  - Marketing
  - Finance
  - Lining
- Q.3 Which model of departmentation is used when great emphasis is placed on effectively serving different customer types?
- Departmentation by Product
  - Departmentation by Customer
  - Departmentation by Territory
  - Departmentation by Function
- Q.4 The disadvantage of the departmentation by product:
- Reduces co-ordination between functions
  - Slow adaption
  - Responsibility for profits is at the top only
  - All of the above
- Q.5 Which is not considered as the key pillar of a formal organization?
- Division of labour
  - Structure
  - Span of control
  - Controlling
- Q.6 Why leadership is important?
- It aids the authority
  - It motivates individual efforts

[www.maggubhai.com](http://www.maggubhai.com)

Follow us on [Telegram](#), [Facebook](#) and [Instagram](#) for frequent updates



- c. Basis for co-operation
- d. Integration of formal and informal organization

Q.7 Continual consultation and sharing of responsibility are the traits of:

- a. Autocratic leadership
- b. Classic leadership
- c. Laissez Faire
- d. Democratic leadership

Q.8 Legitimate power normally arises from:

- a. Expert knowledge of a person or a group
- b. The ability of some people to grant rewards
- c. The power to punish
- d. Organizational position

Q.9 Line authority is that relationship in which:

- a. Superiors play advisory roles over subordinates.
- b. Staff specialists act as superiors
- c. A superior exercises direct supervision over subordinates
- d. Staff specialists are employed to advise line managers

Q.10 Which statement is true:

1. Power is the ability of individuals to induce groups
2. Authority is the power in an organization setting

- a. Only 1
- b. Only 2
- c. Both 1 and 2
- d. None of the above

Q.11 What is 'Laissez-Faire' Style?

- a. An informal organization
- b. Leadership style with minimum directions
- c. Classical style of leadership
- d. Theory of power distribution

Q.12 "Leaders can be made rather than are born", is the basic concept of:

[www.maggubhai.com](http://www.maggubhai.com)

Follow us on [Telegram](#), [Facebook](#) and [Instagram](#) for frequent updates



- a. Behavioral theory
- b. Great man theory
- c. Trait theory
- d. Classical theory

Q.13 Which among them is not identified as the base of power?

- a. Reward power
- b. Referent power
- c. Coercive power
- d. Political power

Q.14 Power to punish is:

- a. Physical power
- b. Coercive power
- c. Referent power
- d. Reward power

Q.15 Mark the false statement about power.

- a. Legitimate power comes from holding a formal position
- b. Charismatic personality cannot wield great power
- c. Power may also arise from the ability to grant rewards.
- d. Only a and c

Q.No.	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
Answers	c	d	b	d	d	b	d	d	a	c	b	a	d	b	b