

Chapter 4

Planning

MCQ

1. Rearrange the steps in the decision-making process logically.
 - A. Identification of a problem
 - B. Identification of decision criteria
 - C. Allocation of weights to criteria
 - D. Development of alternatives
 - E. Analysis of alternatives
 - F. Selection of an alternative
 - G. Implementation of the alternative
 - a. GFEDCBA
 - b. CDBAFEG
 - c. ABCDEFG
 - d. GCDABEF
2. Which of the following is an assumption of rationality to rationale decision making?
 - a. Preferences are clear
 - b. The final choice will maximize pay off
 - c. The problem is clear and unambiguous
 - d. All of the above
3. Is accepting solutions that are "good enough".
 - a. Bounded rationality
 - b. Satisfying
 - c. Escalation of commitment
 - d. None of the above
4. Making decisions based on experience, feelings and accumulated judgment is called _____
 - a. Decision making
 - b. Structured problems
 - c. Intuitive decision making

d. None of the above

5. Which software provides key performance indicators to help managers monitor the efficiency of projects and employees?

- Management Information System
- Business Performance Management
- Intuitive decision making
- None of the above

6. Which of the following quality a manager must possess to succeed in planning?

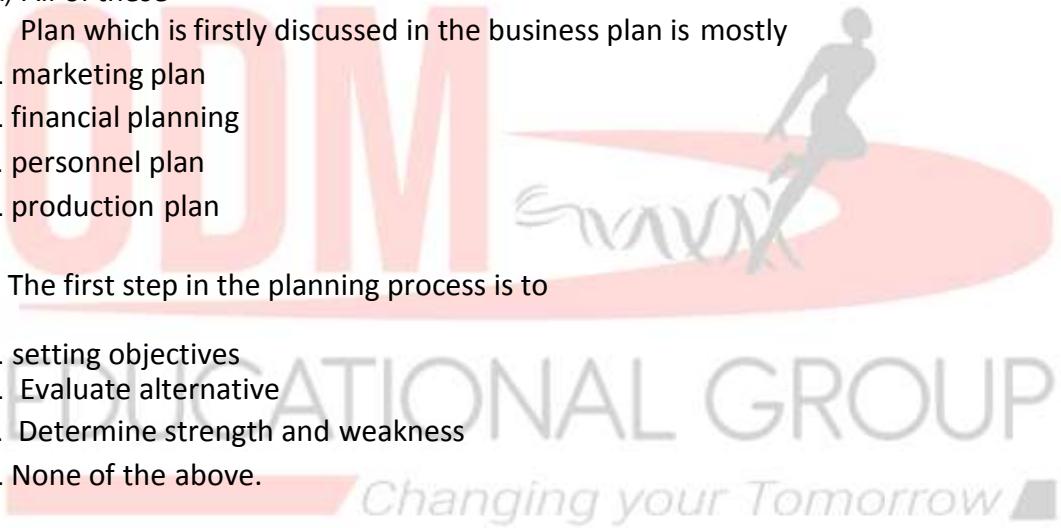
- Reflective Thinking
- Imagination
- Farsightedness
- All of these

7. Plan which is firstly discussed in the business plan is mostly

- marketing plan
- financial planning
- personnel plan
- production plan

8. The first step in the planning process is to

- setting objectives
- Evaluate alternative
- Determine strength and weakness
- None of the above.



Very Short Answer Questions (1 mark)

Q 1. How does planning provide direction?

Q2. The planning function of management is conducted at which level of management?

Q3. One of the functions of management is considered as a base for all other functions. Name that Function.

Q4. A company needs a detailed plan for its new project- construction of the shopping mall. What type of plan is it?

Q5. In which type of plan the sequence to perform a job is determined?

Q6. Which plans suggest action and non-action of employees?

Q7. "No Smoking": the statement is related to which type of plan?

Q8. Mc Donald does not give its franchise to any other company which is running a food business. This is related to which type of plan?

Q9. What is meant by a single-use plan? event or project.

Q10. What is meant by the standing plan?

Short Answer Questions (3-4 marks)

Q1. Differentiate between Objective and strategy as types of the plan?

Q2. How does planning restrict creativity?

Q3. State how planning leads to rigidity?

Q4. Planning provides directions and reduces the risk of uncertainty. Explain?

Q5. Planning facilitates decision-making and establishes standards for controlling. Explain how?

Q6. XYZ Ltd. has a plan of increasing profits by 20%. It has devoted a lot of time and money to this plan. But the competition starts increasing, so it could not change its plan to beat its competitors because a huge amount of money had already been devoted to the pre-decided plan. It caused losses to the company.

Explain any two limitations of planning highlighted in the above case. Also, quote the lines from it.

Q7. In 'Chak de India' movie, Shahrukh Khan becomes the coach of the girls' hockey team. He knows that he has to prepare the girls for the international hockey matches and bring the world cup after winning. For this, he prepares a long- team plan and thinks the ways how to beat the competitors. He coaches the girls to play in different ways like defensive, offensive, etc. At the outsets of a match, he explains who will open the match, and how the ball will be passed by one player to another step by step.

Identify four types of plans that are a highlight in the above case, quoting the lines from it.

Q 8. Ayesha Ltd. is a company that manufactures leather bags. The CEO of the company wants to increase their sales and earn more profits. They consulted with a management consultant who suggested the top management of the company to work hard in thinking about the future in making business predictions and achieve the targets since the business environment keeps on changing whether in terms of technological improvement, shifts in consumer preferences, or entry of new competitors in the market.

- Identify and state the concept of management discussed in the above para.
- State the characteristics /features of the business environment highlighted in the above para.

Long Answer Questions (5/6marks)

Q 1. Suhani a home science graduate from a reputed college has recently done a cookery course. She wished to start her venture to provide a 'healthy food' responsible price. She discusses her idea with her teacher (mentor) who encouraged her. After analyzing various options for starting her venture, they shortlisted the option to sell readymade and 'ready to make' vegetable shakes and sattu milkshakes. Then, they both weighed the pros and cons of both the shortlisted option.

Name the function of management being discussed above and give any of its characteristics.

Discuss any three limitations of the function discussed in the case.

Q 2. Two years ago Mohit obtained a degree in food technology. For some time he worked in a company manufacturing Bread and Biscuits. He was not happy in the company and decided to have his bread and biscuits manufacturing unit. For this, he decided on the objectives and targets and formulated an action plan to achieve the same. One of his objectives was to earn 50% profits on the amount invested in the first year. It was decided that raw materials like flour, sugar, salt, etc. will be purchased on two months' credit. He also decided to follow the steps required for marketing the products through his outlets. He appointed Harsh as a production manager who decided the exact manner in which the production activities are to be carried out. Harsh also prepared a statement showing the requirements of workers in the factory throughout the year. Mohit informed Harsh about his sales target for different products, area wise for the fourth coming quarter. While working on the production table a penalty of Rs.150 per day was announced for not wearing the helmet, gloves, and apron by the workers.

Quoting lines from the above para identify and explain the different types of plans discussed.

Q3. Pan Parag and sons is a manufacturer of tobacco products. It decided to increase profits by atleast25% in the next quarter. It has many options:

- To increase the working hours of laborers without additional payment.
- To employ children from the local community.
- To sell its product outside the school and colleges.
- It opted for the (ii) and (iii) options to achieve the target.
- Identify the function of management described in the above para.
- State the steps of the process involved in the function of management identified in quoting the lines from the above para.

State any two values neglected by the organization.

Q 4. Lira Ltd. Is a company manufacturing designer sock? While making its plan, the company takes into consideration the business environment. It constantly adapts itself to changing the environment by making changes in its plan, however, it becomes difficult for the managers of the company to accurately foresee future trends in the changing environment. Competition in the market upsets its financial plans; then sales targets have to be revised and, accordingly cash budgets also need to be modified since they are based on sales figures.

- (a) What characteristic features of the business environment are highlighted in the above lines? State any two.
- (b) State and explain the limitation of planning highlighted in the above lines.
- (c) Identify any two types of plans mentioned in the above para by quoting the lines from it.