

**BUSINESS STUDIES (054)**  
**CLASS-XII (2014-15)**  
**COURSE STRUCTURE**

One Paper

3 Hours  
100 Marks

Units	Periods	Marks
<b>Part A: Principles and Functions of Management</b>		
1. Nature and Significance of Management	14	
2. Principles of Management	14	16
3. Business Environment	12	
4. Planning	14	
5. Organising	18	14
6. Staffing	16	
7. Directing	18	20
8. Controlling	14	
	<b>120</b>	<b>50</b>
<b>Part B: Business Finance and Marketing</b>		
9. Financial Management	22	
10. Financial Markets	20	15
11. Marketing Management	32	
12. Consumer Protection	16	15
	<b>30</b>	<b>20</b>
<b>Part C: Project Work</b>	<b>120</b>	<b>50</b>

**Part A: Principles and Functions of Management**

**Unit 1: Nature and Significance of Management**

**14 Periods**

- Management- concept, objectives and importance.
- Management as Science, Art and Profession.
- Levels of Management
- Management functions- planning, organising, staffing, directing and controlling.
- Coordination- concept and importance.

*Concept includes meaning and characteristics/features.*

*Objectives - organizational, social and personal.*

*Management as art- Features of art and the existence of these features in management.*

*Management as science- Features of science and the existence of these features in management. Management as profession- features of profession and the existence of these features in management.*

*Levels of management- Functions of management at top, middle and supervisory levels with names of job positions.*

**Unit 2: Principles of Management** **14 Periods**

- Principles of Management- concept and significance.
- Fayol's principles of management.
- Taylor's Scientific management- principles and techniques.

*Meaning of principles of management. Nature of principles of management by stating their basic characteristics.*

*Significance or need of principles of management. Principles of Scientific. Management given by Taylor- Science, not rule of thumb; Harmony, not discord; Cooperation, not individualism;*

*Development of each and every person to his or her greatest efficiency and prosperity. Taylor's techniques of Scientific management: Functional Foremanship; Standardisation and Simplification;*

*Work study: Method study, Motion study, Time study, Fatigue study. Differential piece wage system.*

*Basis of his thought Mental Revolution.*

**Unit 3: Management and Business Environment** **12 Periods**

- Business Environment- concept and importance.
- Dimensions of Business Environment- Economic, Social, Technological, Political and Legal.
- Impact of Government policy changes on business with special reference to liberalization, privatization and globalization in India.

*Dimensions of Business Environment- meaning and components only.*

**Unit 4: Planning** **14 Periods**

- Concept, importance and limitations.
- Planning process
- Single use and standing plans. Objectives, Strategy, Policy, Procedure, Method, Rule, Budget and Programme.

*Limitations- internal and external. Meaning of single use and standing plans.*

**Unit 5: Organising** **18 Periods**

- Concept and importance.

**Organising Process.**

- Structure of organisation- functional and divisional- concept. Formal and informal organisation- concept.
- Delegation: concept, elements and importance.
- Decentralization: concept and importance.

*Structure of organisation- functional and divisional- merits and limitations.*

*Formal and informal - merits and limitations.*

**Unit 6: Staffing** **16 Periods**

- Concept and importance of staffing.
- Staffing as a part of Human Resource Management- concept.
- Staffing process

- Recruitment- sources
- Selection -process
- Training and Development- Concept and importance. Methods of training- on the job and off the job- Induction training, vestibule training, apprenticeship training and internship training.

*Recruitment Sources- Internal-promotion, transfer; External -Direct recruitment, Casual callers, Advertisements-(newspapers, journals, television), Employment Exchange, Placement Agencies and Management Consultants, Campus Recruitment, Web Publishing, Labour Contractors, Recommendations of employees .*

*Methods of on-the-job training and off-the job training-meaning.*

## **Unit 7: Directing**

**18 Periods**

- Concept and importance
- Elements of Directing
  - Supervision- concept, functions of a supervisor.
  - Motivation- concept, Maslow's hierarchy of needs, Financial and non-financial incentives.
  - Leadership- concept, styles- authoritative, democratic and laissez faire.
  - Communication-concept, formal and informal communication; barriers to effective communication, how to overcome the barriers.

*Motivation- Financial incentives-meaning, types- Pay and Allowances, Productivity linked wage incentive, bonus, Profit sharing, co-partnership/stock option, Retirement benefits, Perquisites; Non-financial incentives- meaning, types-Status, Career advancement opportunity, Job enrichment, Job security, Employee recognition programmes, Job enrichment, Employee participation, Employee empowerment.*

*Formal and informal communication- concept; barriers to effective communication- semantic barriers (badly expressed message, symbols with different meanings, faulty translations, unclarified assumptions, technical jargon), psychological barriers (premature evaluation, lack of attention, distrust), organisational barriers (organisational policy, rules and regulations, complexity in organisational structure, organisational facilities), personal barriers (fear of challenge to authority, lack of confidence of superior on his subordinates, unwillingness to communicate, lack of proper incentives). How to overcome barriers: Communicate according to the needs of the receiver, clarify the ideas before communication, be aware of the language, tone and content of the message, communicate for present as well for the future, ensure proper feedback and be a good listener.*

## **Unit 8: Controlling**

**14 Periods**

- Concept and importance.
- Relationship between planning and controlling
- Steps in the process of control

*Self explanatory.*

## **PART B: BUSINESS FINANCE AND MARKETING**

### **Unit 9: Financial Management**

**22 Periods**

- Concept and objective of Financial Management.
- Financial Decisions: investment, financing and dividend- Meaning and factors affecting.
- Financial Planning- concept and importance.

- Capital Structure - Concept.
- Fixed and Working Capital - Concept and factors affecting their requirements.

*Factors affecting capital budgeting decisions- cash flows of the project, the rate of return, investment criteria involved. Factors affecting financing decision-cash flow position of the company, cost, risk, floatation costs, fixed operating costs, control considerations, state of the capital market, Return on investment, tax rate, flexibility, regulatory framework . Factors affecting dividend decision- amount of earnings, stability of earnings, stability of dividends, growth opportunities, cash flow position, shareholder's preference, taxation policy, stock market reaction, access to capital market, legal constraints, contractual constraints.*

*Factors affecting fixed capital requirement- Nature of business, scale of operations, choice of technique, technology upgradation, growth prospects, diversification, financing alternatives, level of collaboration. Working capital- concept of operating cycle, factors affecting working capital requirement- Nature of business, scale of operations, business cycle, seasonal factors, production cycle, credit allowed, credit availed, availability of raw material.*

## **Unit 10: Financial Markets**

**20 Periods**

- Financial Markets: Concept and types.
- Money market and its instruments.
- Capital market and its types (primary and secondary)
- Stock Exchange- Functions and trading procedure.
- Securities and Exchange Board of India (SEBI)- objectives and functions.

*Types of financial market- money market and capital market- meaning.*

*Money market instruments- Treasury bill, commercial paper, call money, certificate of deposit, commercial bill.*

*Capital market -Types- primary and secondary market- concept.*

## **Unit 11: Marketing Management**

**32 Periods**

- Selling, Marketing and Societal Marketing management- Concept.
- Marketing management- Concept.
- Marketing Functions.
- Marketing management philosophies.
- Marketing Mix - Concept & elements
  - Product-Concept, branding, labelling and packaging.
  - Price- Factors determining price.
  - Physical Distribution- concept, channels of distribution: types, choice of channels.
  - Promotion- Concept and elements; advertising-concept, role, objections against advertising, personal selling-concept and qualities of a good salesman, sales promotion- concept and techniques, public relations- concept and role.

*Marketing mix elements- Product, price, place, promotion*

*Branding, labelling, packaging- concept and functions .Choice of channels of distribution- factors affecting choice of channel- product related factors, company characteristics, competitive factors, market factors, environmental factors.*

**Unit 12: Consumer Protection**

**16 Periods**

- Concept and importance of consumer protection.
- Consumer Protection Act 1986
  - Meaning of consumer and consumer protection
  - Rights and responsibilities of consumers
  - Who can file a complaint and against whom?
  - Redressal machinery.
  - Remedies available.
- Consumer awareness-Role of consumer organizations and NGOs

*Self explanatory*

**Unit 13: Project Work**

**30 Periods**

Please refer to guidelines issued by CBSE.

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QUESTION PAPER DESIGN 2014-15									
Business Studies			CODE NO. 054				CLASS-XII		
TIME: 3 Hours							Max. Marks: 80		
S. NO.	Typology of Questions	Learning outcomes & testing skills	Very Short Answer (VSA) (1 Mark)	Short Answer-I (SA-I) (3 Marks)	Short Answer-II (SA-II) (4 Marks)	Long Answer (LA) (5 Marks)	Essay Type (6 Marks)	Total Marks	% Weightage
01	<b>Remembering-</b> (Knowledge based Simple recall questions, to know specific facts, terms, concepts, principles, or theories, Identify, define, or recite, information)	reasoning analytical skills critical skills	2	1	1	1	-	14	17%
02	<b>Understanding-</b> (Comprehension -to be familiar with meaning and to understand conceptually, interpret, compare, contrast, explain, paraphrase, or interpret information)		2	2	1	-	1	18	23%
03	<b>Application</b> (Use abstract information in concrete situation, to apply knowledge to new situations, Use given content to interpret a situation, provide an example, or solve a problem)		2	1	1	1	1	20	25%
04	<b>High Order Thinking Skills (Analysis&amp; Synthesis-</b> Classify, compare, contrast, or differentiate between different pieces of information, Organize and/or integrate unique pieces of information from a variety of sources)		2	1	2	-	1	19	24%
05	<b>Evaluation and Multi-Disciplinary-</b> (Appraise, judge, and/or justify the value or worth of a decision or outcome, or to predict outcomes based on values)			-	1(value based)	1	-	09	11%
	<b>TOTAL- 2 project (10 marks each) 20</b>		8 × 1 = 8	5 × 3 = 15	6 × 4 = 24	3 × 5 = 15	3 × 6 = 18	80(25) (project)(20)	100%
	<b>Estimated Time (in minutes)</b>		8 min	20 min	50 min	37 min	50 min	165 min + 15 min. for revision	