SmartKalike

CBSE Class 12 · Business Studies

Controlling

10 most probable questions for Boards 2027

Q1. 1 mark · Multiple choice

How does a good control system help improve employee motivation?
(A) By keeping employees unaware of performance expectations
(B) By clarifying expectations and performance standards in advance
(C) By removing all performance standards
(D) By focusing only on deviations after the year ends

Answer

(B) By clarifying expectations and performance standards in advance — employees know what they are expected to do and the performance standards on which they will be appraised, motivating them to perform better.

Q2. 2 marks · Short answer

How does controlling help in making efficient use of resources? (2 marks)

Answer

Controlling reduces wastage and spoilage of resources. It ensures that each activity follows predetermined standards and norms, so resources are used in the most effective and efficient manner.

Q3. 3 marks · Medium answer

Explain how controlling helps an organisation accomplish its goals and judge the accuracy of its standards. (3 marks)

Answer

1. Controlling measures progress towards organisational goals, identifies deviations and indicates corrective action. It guides the organisation and keeps it on the right track so that its goals are achieved.
2. A good control system enables management to verify whether standards are accurate and objective. It checks changes in the organisation and its environment, helping management review and revise standards in light of those changes.

Q4. 4 marks · Long answer

Explain how controlling helps ensure order and discipline in an organisation. (4 marks)

Answer

Controlling creates an atmosphere of order and discipline in an organisation by keeping employees' activities under close check.
1. A control system enables managers to monitor employees' activities and check whether work is being performed according to predetermined standards and norms.

2. Employees are governed by standards that guide their activities. Monitoring helps management identify deviations from the expected manner of working.
3. A close check on employees' activities helps minimise dishonest behaviour. Computer monitoring can also form part of a control system to track dishonest employees.
4. Regular monitoring encourages employees to act responsibly and follow organisational standards while carrying out their work.
Controlling therefore promotes disciplined conduct and helps maintain order by monitoring activities and minimising dishonest behaviour.

Q5. 5 marks · Long answer

Explain why controlling is a pervasive and primary management function. Describe how it identifies deviations, analyses their causes and leads to corrective action, and explain how this process improves planning in the next management cycle.

Answer

Controlling is a goal-oriented, pervasive and primary function of management.

1. Managers at top, middle and lower levels perform controlling in their respective areas. It is required in every organisation, including educational institutions, hospitals and businesses.
2. Controlling measures actual performance against standards set through planning. This reveals deviations and shows how far activities have departed from planned performance.
3. Managers analyse the causes of deviations, which may include unrealistic standards, defective processes or inadequate resources. They then take appropriate corrective action to bring performance in line with plans.
4. The findings about deviations and their causes provide information for formulating future plans. Corrective action also aims to improve performance in future periods.

Controlling completes one management cycle and helps make planning in the next cycle more effective.

Q6. 1 mark · Multiple choice

Which set consists of methods that can be used to measure actual performance?
(A) Personal observation, sample checking and performance reports
(B) Delegation, staffing and recruitment
(C) Advertising, branding and packaging
(D) Forecasting, budgeting and recruitment

Full answer on SmartKalike: https://smartkalike.com/cbse/class-12/business-studies/controlling

Q7. 2 marks · Short answer

What is critical point control? (2 marks)

Full answer on SmartKalike: https://smartkalike.com/cbse/class-12/business-studies/controlling

Q8. 3 marks · Medium answer

Explain how controlling facilitates coordination among departments and employees. (3 marks)

Full answer on SmartKalike: https://smartkalike.com/cbse/class-12/business-studies/controlling

Q9. 5 marks · Long answer

Explain why enterprises may have little control over external factors, why employees may resist control, and why control can be a costly affair. (5 marks)

Full answer on SmartKalike: https://smartkalike.com/cbse/class-12/business-studies/controlling

Q10. 1 mark · Multiple choice

Wherever possible, actual performance should be measured:
(A) In units different from those used for standards
(B) In the same units in which standards are set
(C) Only after the financial year ends
(D) Without reference to standards

Full answer on SmartKalike: https://smartkalike.com/cbse/class-12/business-studies/controlling

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