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ISC Class 12 Business Studies Important Questions 2027

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Introduction to Human Resource Management

1. Identify the characteristic of HRM from its description (pervasive, interdisciplinary, future oriented)

Asked 3× · Board 2024, Sample 2024, Sample 2025 · 1 marks

Which characteristic of Human Resource Management deals with providing competent employees to an organisation, both now and in the future?

2. One-liner on the significance of HRM (fill in / true-false)

Asked 2× · Board 2025, Sample 2025 · 1 marks

The _____ significance of Human Resource Management implies maximum utilisation of human resources by ensuring their physical and mental well-being.

Job and Manpower Planning

3. Identify the job planning term from its definition (job analysis, description, specification, manpower estimation)

Asked 6× · Board 2023, Board 2024, Board 2025, Board 2026, Sample 2023, Sample 2026 · 1 marks

Observe the relation between the first two phrases / terms and complete the analogy.
Systematic study of a job : Job Analysis :: Explanation of the scope of a job : _____

4. Distinguish between Job Enlargement and Job Enrichment

Asked 2× · Board 2023, Sample 2026 · 4 marks

Differentiate between Job Enlargement and Job Enrichment on the following bases:
(a) Nature
(b) Content
(c) Purpose
(d) Skills required

Staff Recruitment

5. Explain Internet / Intranet as a source of e-recruitment

Asked 3× · Board 2026, Sample 2026 · 2 marks

With reference to e-recruitment, briefly explain: Internet

6. Name and explain internal / external sources of recruitment

Asked 3× · Board 2023, Sample 2024, Sample 2025 · 4/8 marks

ABC Ltd., a well-known IT firm has opened a new branch in Ahmednagar. In order to maintain their standards, the Company is committed to hiring the best brains in the field.
As the HR Manager of ABC Ltd., suggest any two strategies that the firm can use to attract suitable candidates. Justify your suggestion.

7. Benefits and limitations of e-recruitment

Asked 2× · Sample 2024, Sample 2025 · 4 marks

Briefly explain any two limitations of e-Recruitment as a source of Staff Recruitment.

Staff Selection

8. Recruitment is positive, selection is negative (one-mark)

Asked 4× · Board 2023, Board 2026, Sample 2024, Sample 2025 · 1 marks

Assertion: The process of recruitment concludes with the correct placement of applicants.
Reason: Recruitment is concerned only with shortlisting candidates from a pool of candidates.
(a) Both Assertion and Reason are true, and Reason is the correct explanation for Assertion.
(b) Both Assertion and Reason are true, but Reason is not the correct explanation for Assertion.
(c) Assertion is true and Reason is false.
(d) Both Assertion and Reason are false.

9. Significance of Placement in the selection procedure

Asked 2× · Sample 2025, Sample 2026 · 2 marks

Briefly explain the significance of the following step in the employee selection process:
Placement

10. Significance of Medical Examination / Reference Check in selection

Asked 2× · Sample 2023, Sample 2026 · 2 marks

Briefly explain the significance of the following step in the employee selection process:
Reference check

11. Significance of the Application Blank in the selection procedure

Asked 2× · Sample 2023, Sample 2025 · 2 marks

With reference to staff selection, explain the significance of Application Blank.

12. Differences between Recruitment and Selection

Asked 2× · Board 2025, Sample 2024 · 4 marks

Distinguish between Recruitment and Selection on the following bases:
(a) Nature
(b) Aim
(c) Process
(d) Number

13. Significance of Preliminary Screening in the selection procedure

Asked 2× · Board 2023, Board 2026 · 2 marks

Briefly discuss the following step in the Selection Procedure: Preliminary Screening

14. Significance of the Final Interview in the selection procedure

Asked 2× · Board 2023, Board 2026 · 2 marks

Briefly discuss the following step in the Selection Procedure: Final Interview

Staff Training

15. Identify the type of training from a description or picture

Asked 5× · Board 2024, Board 2025, Board 2026, Sample 2023 · 1 marks

[context: image of a trainer presenting an 'EMPLOYEE HANDBOOK' slide to a group of employees seated around a table.]
Identify the type of training indicated in the image shown above.



16. Benefits of / reasons for training

Asked 2× · Board 2024, Board 2025 · 2 marks

[context: image of a trainer presenting an 'EMPLOYEE HANDBOOK' slide to a group of employees seated around a table.]
State any two reasons for conducting this type of training.



Staff Morale

17. Morale Productivity Matrix: explain the morale-productivity situations

Asked 3× · Board 2024, Board 2025, Sample 2026 · 4/8 marks

As per the Morale Productivity Matrix, discuss the relationship between morale and productivity when morale is high.

18. Morale stimulants and depressants (one-mark)

Asked 2× · Sample 2023, Sample 2026 · 1 marks

[context: At Pratiksha Ltd., VP (Marketing) Mr. Mehta gives his team complete autonomy and intervenes only when asked; VP (Production) Mrs. Kapoor regularly interacts with her team and makes decisions collaboratively.]
Suggest a situation in which a centralised leadership style in an organisation could act as a morale depressant.

Staff Motivation

19. Name the need in Maslow's hierarchy from its description or position

Asked 7× · Board 2023, Board 2024, Board 2026, Sample 2023, Sample 2025 · 1 marks

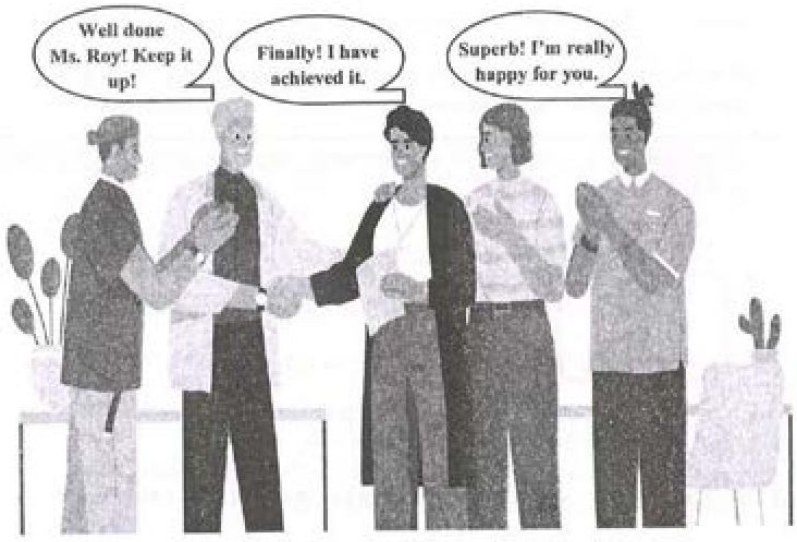
[context: pyramid of Maslow's Hierarchy of Human Needs with levels (top to bottom) Self Actualisation, Esteem, Social, Safety and a missing base level marked '?'.]
Name the missing need that appears at the base of Maslow's Hierarchy of Human Needs.



20. Explain a named need in Maslow's hierarchy

Asked 3× · Board 2024, Sample 2026 · 2 marks

[context: picture of colleagues congratulating Ms. Roy ('Well done Ms. Roy! Keep it up!', 'Superb! I'm really happy for you.') as she says 'Finally! I have achieved it.']
Briefly explain the need of Ms. Roy that is being satisfied.



21. Monetary vs non-monetary incentives (one-mark)

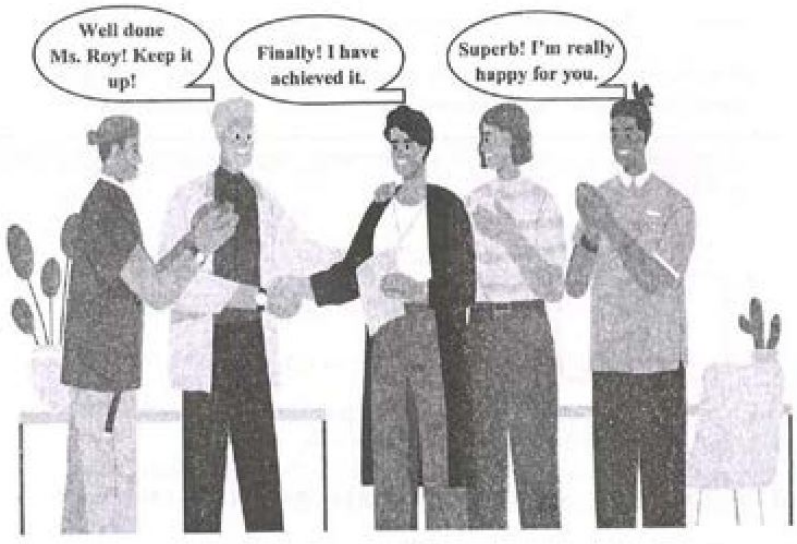
Asked 3× · Board 2025, Sample 2024, Sample 2026 · 1 marks

XYZ Ltd. follows a compensation policy that focuses solely on financial incentives as it believes that money is a great motivator. Despite receiving handsome salaries, several managers have recently resigned from the company.
Which one of the following is MOST likely the reason for their resignation?
(a) The managers are satisfied with only financial rewards.
(b) The managers are satisfied with non-monetary benefits.
(c) The managers feel that the monetary incentives are too high.
(d) The managers want both monetary as well as non-monetary incentives.

22. Herzberg's two-factor theory (one-mark)

Asked 3× · Board 2024, Board 2026, Sample 2024 · 1 marks

[context: picture of colleagues congratulating Ms. Roy ('Well done Ms. Roy! Keep it up!', 'Superb! I'm really happy for you.') as she says 'Finally! I have achieved it.']
Identify the factor indicated in the above image as per the Two-factor theory of Herzberg.



23. Explain Herzberg's motivation and hygiene factors

Asked 2× · Board 2023, Board 2025 · 4 marks

With reference to Herzberg's Two-factor Theory, explain the motivational and hygiene factors.

Staff Remuneration

24. Pay slip vs payroll and pay slip components (one-mark)

Asked 4× · Board 2025, Sample 2023, Sample 2026 · 1 marks

Which of the following items are commonly included as components of an employee's pay slip?
(P) Provident Fund
(Q) Gratuity
(R) House Rent Allowance
(S) Employee Stock Option
(a) Only (P) and (Q)
(b) Only (P) and (R)
(c) Only (Q) and (R)
(d) Only (R) and (S)

25. Identify the wage payment system from a situation or feature

Asked 4× · Board 2024, Board 2025, Board 2026, Sample 2023 · 1 marks

[context: Speed Ltd. paid daily wage workers ₹100 per hour (Ravi got ₹800 a day); to increase productivity it switched to paying per unit produced, so fast worker Ravi now earns ₹1000 a day, but the trade union is dissatisfied.]
Which system of wage payment was initially followed by Speed Ltd.?

26. Distinguish between Time Rate and Piece Rate System of wage payment

Asked 3× · Sample 2023, Sample 2024, Sample 2025 · 4/6 marks

Distinguish between Piece rate system and Time rate system of remuneration on the following basis:
(a) Quality of work
(b) Wastage of resources
(c) Attitude of Trade Unions
(d) Weightage to efficiency

27. Identify the type of leave (casual leave) from a situation

Asked 3× · Board 2025, Board 2026, Sample 2025 · 1 marks

Varsha wants to attend the naming ceremony of her friend's baby which requires only a day's leave. Since her friend has been unwell and requires support, Varsha decides to apply for an additional day's leave.
Considering the purpose and duration of leave, select the type of leave Varsha should apply for.
(a) Earned leave
(b) Medical leave
(c) Casual leave
(d) Maternity leave

28. Explain Group Insurance as a staff benefit

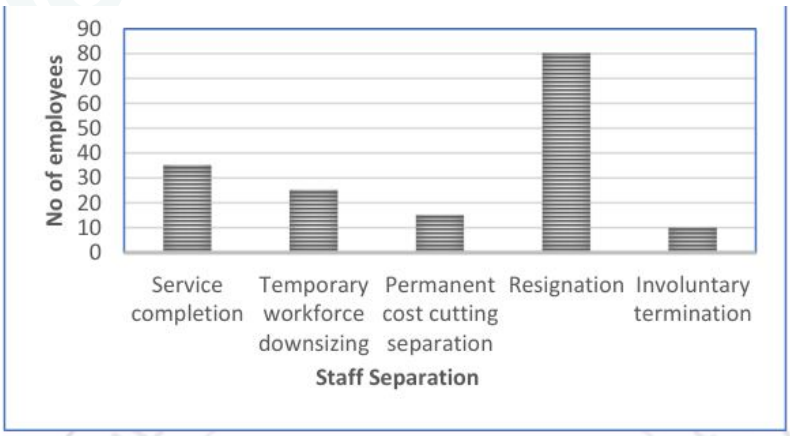
Asked 3× · Board 2024, Board 2026, Sample 2025 · 2 marks

Briefly discuss: Group Life Insurance

29. Gratuity / terminal benefit (one-mark)

Asked 2× · Sample 2024, Sample 2026 · 1 marks

[context: bar graph 'Staff Separation' at Infotide Ltd. showing number of employees under Service completion, Temporary workforce downsizing, Permanent cost cutting separation, Resignation and Involuntary termination.]
State any one monetary benefit available to the employees at the time of 'service completion'.



30. Explain the National Pension System (NPS)

Asked 2× · Sample 2024, Sample 2026 · 2 marks

With reference to staff benefits, explain NPS.

31. Explain Gratuity as a staff benefit

Asked 2× · Board 2024, Sample 2026 · 2 marks

With reference to staff benefits, explain Gratuity.

32. Explain the Time Rate / Piece Rate System of wage payment

Asked 2× · Board 2023, Sample 2026 · 2 marks

With reference to Time Rate System of Wage Payment, briefly explain the Time Rate System of Wage Payment.

33. Explain Encashment of Leave

Asked 2× · Board 2025, Sample 2024 · 2 marks

With reference to staff benefits, briefly explain: Encashment of Leave

Staff Leadership

34. Name the leadership style from its feature

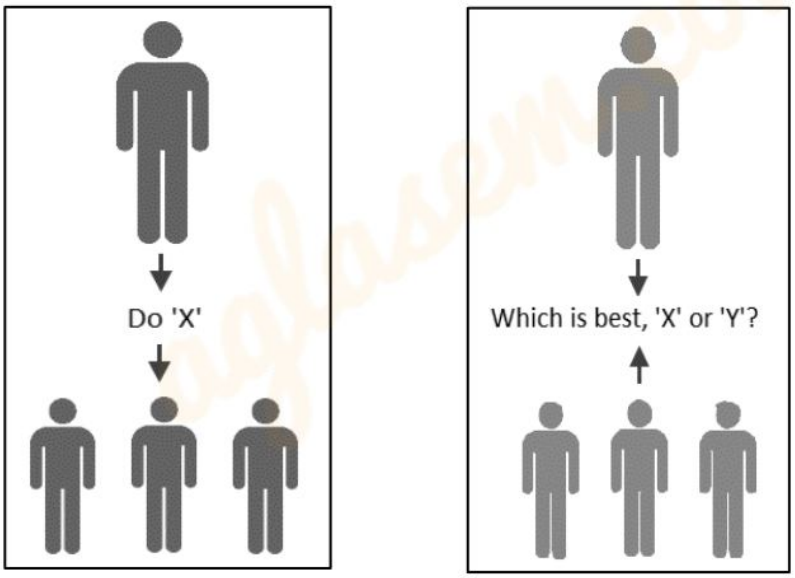
Asked 4× · Board 2023, Board 2024, Sample 2023, Sample 2026 · 1 marks

[context: At Pratiksha Ltd., VP (Marketing) Mr. Mehta gives his team complete autonomy and intervenes only when asked; VP (Production) Mrs. Kapoor regularly interacts with her team and makes decisions collaboratively.]
Name the leadership style where the manager solely takes decisions and announces them.

35. Features / differences of leadership styles shown in a case or picture

Asked 2× · Sample 2024, Sample 2026 · 2 marks

[context: two images A and B depict two different styles of leadership.]
State any one feature of each of the above styles of leadership.



36. Differences between Autocratic and Democratic leadership

Asked 2× · Board 2023, Sample 2025 · 4 marks

Distinguish between Authoritative and Democratic styles of Leadership on the following basis:
(a) Effect on motivation and morale
(b) Development of subordinates
(c) Speed of work
(d) Resistance to change

Staff Appraisal

37. Performance appraisal method that reduces rater bias

Asked 3× · Board 2024, Board 2026, Sample 2025 · 1 marks

The Human Resource Department at Harry & Sons wants to reduce subjective bias while evaluating the performance of each worker and comparing the results. Which one of the following would be MOST suitable to appraise the workers at Harry & Sons?
(a) Appraisal of performance based on achievement of targets.
(b) Workers' performance evaluated by their immediate supervisors.
(c) Feedback on performance collected from self, superiors, subordinates and peers.
(d) Workers rated in fixed performance categories such as excellent, good, satisfactory and poor.

38. Potential appraisal (one-mark)

Asked 2× · Board 2025, Sample 2024 · 1 marks

Mahima has joined XYZ Ltd. as a Sales Executive. She is a bright employee with good interpersonal skills. At a review meeting, the management feels that Mahima is promising and can be considered for a future leadership role in the company.
Identify the method of appraisal that has led the management to this conclusion about Mahima.

Staff Promotion and Transfer

39. Advantages and disadvantages of seniority-based / merit-based promotion

Asked 3× · Board 2023, Board 2025, Sample 2023 · 4/6 marks

Vasu, a Sales Executive at Sunshine Ltd., has been working with the organisation for fifteen years. He has a good track record. In recognition of his capabilities and long years of service in the organisation, the management promotes him to the post of Sales Manager.
Identify the basis on which Vasu has been promoted. Enumerate any three advantages of this type of promotion.

40. Promotion vs transfer as ways of moving employees

Asked 2× · Sample 2024, Sample 2025 · 2 marks

[context: IBM's CEO Arvind Krishna says employees who work from home may be equally productive in the short term but their careers suffer — moving to another role is less likely because nobody observes them in another context, and remote workers do not acquire skills such as dealing with difficult clients.]
Explain the two ways by which an employee can be moved from one position / department to another in an organisation.

41. Identify the type of transfer from its description

Asked 2× · Board 2024, Sample 2026 · 1 marks

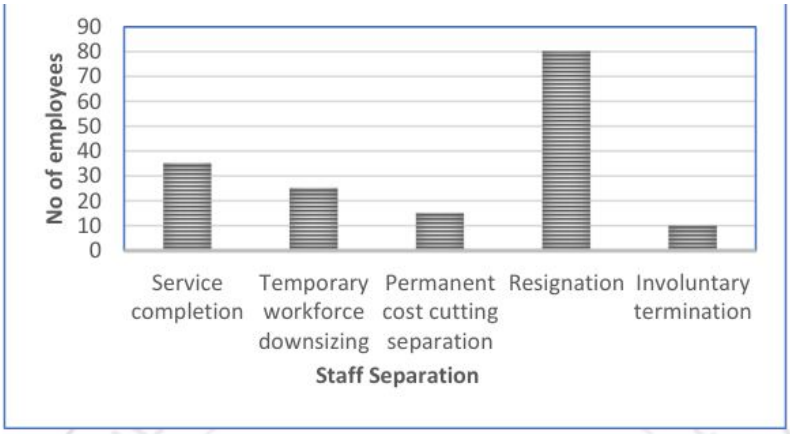
_____ transfer refers to the practice of shifting employees across different roles, functions or departments in an organisation to widen their skills.

Staff Separation

42. Lay off vs retrenchment (identify / true-false)

Asked 5× · Board 2023, Board 2026, Sample 2024, Sample 2026 · 1 marks

[context: bar graph 'Staff Separation' at Infotide Ltd. showing number of employees under Service completion, Temporary workforce downsizing, Permanent cost cutting separation, Resignation and Involuntary termination.]
Infotide Ltd. has temporarily reduced its workforce. Identify this form of staff separation.



43. Procedure for staff dismissal (one-mark)

Asked 3× · Board 2024, Board 2025, Sample 2025 · 1 marks

Select the preliminary step in the procedure of Staff Dismissal.
(a) Holding of an enquiry
(b) Issuing of a written charge sheet
(c) Issuing of a notice of enquiry
(d) Receipt of an explanation

44. Explain the types of retirement (compulsory and voluntary)

Asked 2× · Board 2025, Sample 2023 · 4 marks

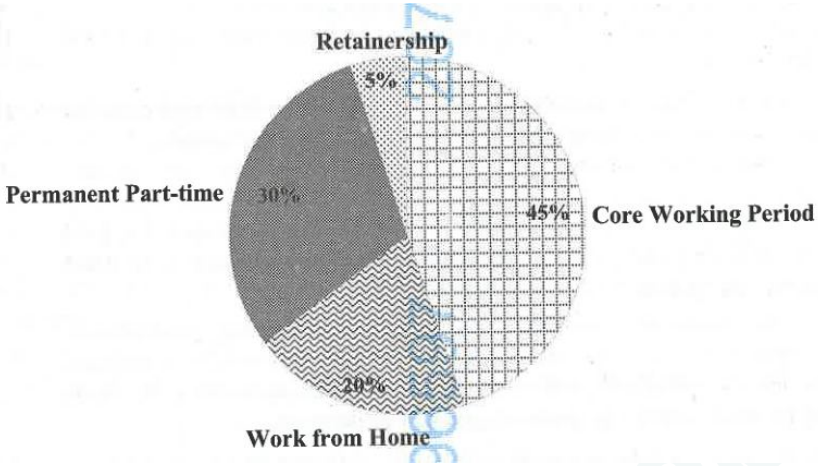
Explain two types of Retirement.

Emerging Trends in Human Resources

45. Advantages / features of flexible hours, work from home, part time (one-mark)

Asked 4× · Board 2026, Sample 2026 · 1 marks

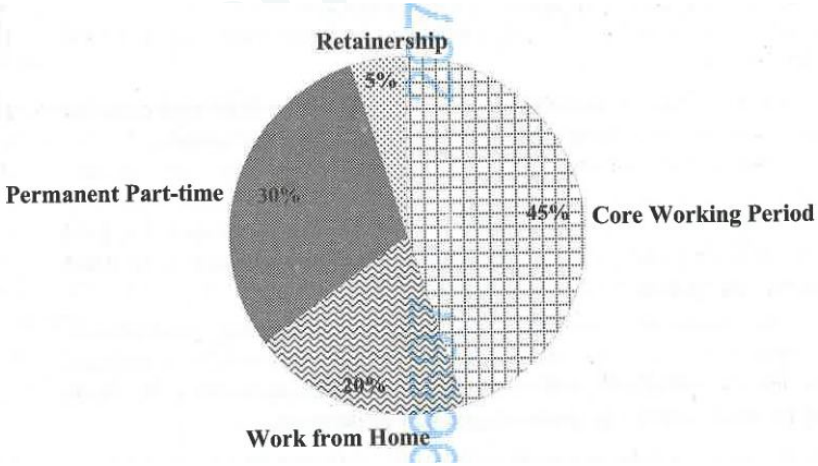
[context: pie chart of the workforce at Infogram Ltd. by emerging HR trends — Core Working Period 45%, Permanent Part-time 30%, Work from Home 20%, Retainership 5%.]
Mention any one advantage to Infogram Ltd. of allocating core working period to 45% of its workforce.



46. Identify the emerging trend in HR from a situation

Asked 4× · Board 2024, Board 2026, Sample 2024, Sample 2025 · 1 marks

[context: pie chart of the workforce at Infogram Ltd. by emerging HR trends — Core Working Period 45%, Permanent Part-time 30%, Work from Home 20%, Retainership 5%.]
Infogram Ltd. outsources the review of its Human Resources policy to a law firm. Name the trend used by the company.



47. Explain an emerging HR trend (permanent part time, retainership, work from home)

Asked 3× · Board 2024, Board 2025, Sample 2025 · 2 marks

Briefly explain: Retainership

Business Communication

48. Classify communication: formal/informal, internal/external (one-mark)

Asked 5× · Board 2023, Board 2025, Board 2026, Sample 2024, Sample 2025 · 1 marks

Some employees at Dawn Ltd. overheard their managers discussing an upcoming Artificial Intelligence enabled project. The news spread quickly, leading to speculations about possible layoffs.
What type of communication is indicated in the above case?

49. Identify the barrier to communication

Asked 4× · Board 2023, Board 2024, Board 2025, Sample 2026 · 1 marks

Observe the relation between the first two words and complete the analogy.
Long chain of command : Organisational Barrier :: Unclarified assumptions : _____

50. Advantages and disadvantages of oral communication

Asked 3× · Board 2025, Board 2026, Sample 2023 · 4 marks

State any four advantages of Oral Communication.

51. Gestural / non-verbal communication (one-mark)

Asked 2× · Sample 2025, Sample 2026 · 1 marks

Welcoming a new employee in an organisation with a firm handshake / 'namaste' is an example of _____ communication.

52. Name and explain the type of communication by direction (horizontal, vertical, diagonal)

Asked 3× · Board 2024, Sample 2024 · 2 marks

[context: Annie and Naveen are fresh engineering graduates at Scottish Automobile Ltd. Annie wants to introduce changes in production but is hesitant to discuss her ideas with her superior Mr. Shah, so she discusses them with Naveen; Naveen presents a PowerPoint on Annie's ideas to Mr. Shah in the monthly review meeting.]
Name and explain the type of communication between Annie and Naveen.

53. Explain / distinguish types of communication on a given basis

Asked 2× · Board 2026, Sample 2026 · 4 marks

Differentiate between Horizontal and Vertical Communication on the following bases:
(i) Purpose
(ii) Direction
(iii) Relationship
(iv) Speed

54. Explain barriers to communication

Asked 2× · Sample 2024, Sample 2025 · 4/6 marks

Briefly explain any two barriers to Communication.

55. E-mail and video conferencing (one-mark)

Asked 2× · Board 2024, Board 2026 · 1 marks

In Business Communication, the use of _____ assists superiors and Team Leaders situated in diverse locations to have a 'real-time' conversation and take work-related decisions.

Business Correspondence and Letters

56. Identify the type of business letter (enquiry, quotation, solicited application)

Asked 3× · Board 2026, Sample 2024, Sample 2026 · 1 marks

State whether the following statement is True or False: A quotation letter seeks information about the availability of products with the seller.

57. Draft a letter / e-mail from the firm to a candidate (interview call or appointment)

Asked 3× · Board 2026, Sample 2023, Sample 2025 · 8 marks

Madhuban Verma applied for the post of a Choreographer at Twist & Turn Dance Academy. At the end of the selection procedure, the panel found him suitable for the position.
Draft an email from Twist & Turn Dance Academy to Madhuban Verma informing him about the final approval of the management.

58. Draft a job application letter in response to an advertisement

Asked 2× · Sample 2024, Sample 2026 · 8 marks

Advertisement (published in a weekly newspaper): "We are looking for experienced Sales Executives for sale of machinery. Good communication skills and proven sales track record are essential. Please send your resume to jobs@email.com"
Draft a letter in response to the above job advertisement published in a weekly newspaper.

59. Draft an order / enquiry letter to a supplier

Asked 2× · Board 2024, Board 2025 · 8 marks

Neeta Kumar, an entrepreneur, wants a modern look for her new office. She comes across a newspaper advertisement from Majestic Furniture that gives an overview of the furniture available with them.
Based on the above information, draft a letter from Neeta Kumar to Majestic Furniture seeking more information about the furniture.

Reports

60. Identify the type of report from a situation or description

Asked 6× · Board 2024, Board 2025, Board 2026, Sample 2024, Sample 2025, Sample 2026 · 1 marks

A _____ report is intended for the use of a few authorised individuals only.

Business Entities

61. Number of members / partners in business entities

Asked 4× · Board 2024, Sample 2023, Sample 2024, Sample 2025 · 1 marks

The Partnership Act limits the maximum number of partners in a non-banking partnership firm to _____.

62. Features / advantages of the business form in a case

Asked 3× · Board 2026, Sample 2026 · 1 marks

[context: Anandita (invested ₹20,00,000) and Rukhsana (invested ₹30,00,000) started a business on a verbal understanding and agreed to share the financial outcomes equally despite unequal capital.]
Anandita and Rukhsana agreed to share the financial outcomes of the business equally. Which feature of this form of business is highlighted here?

63. Identify the form of business ownership in a case

Asked 2× · Board 2026, Sample 2026 · 1 marks

[context: Anandita (invested ₹20,00,000) and Rukhsana (invested ₹30,00,000) started a business on a verbal understanding and agreed to share the financial outcomes equally despite unequal capital.]
Identify the form of business set up by Anandita and Rukhsana.

64. Can this business form issue shares / continue? Justify

Asked 2× · Board 2026, Sample 2026 · 1 marks

[context: Anandita (invested ₹20,00,000) and Rukhsana (invested ₹30,00,000) started a business on a verbal understanding and agreed to share the financial outcomes equally despite unequal capital.]
If Anandita decides to leave the business in future, can Rukhsana continue business in the same form? Justify your answer by giving a reason.

65. Define a business entity (sole proprietorship, partnership, private company)

Asked 3× · Board 2023, Board 2025 · 2 marks

Briefly explain: Private Limited Company

Sources of Business Finance

66. Explain factoring as a source of finance

Asked 4× · Board 2023, Sample 2024, Sample 2025, Sample 2026 · 2 marks

Briefly discuss any two features of the following source of finance available to an organisation in India: Factoring

67. Explain angel investors / venture capitalists as sources of finance

Asked 4× · Board 2023, Board 2024, Board 2025, Sample 2026 · 2 marks

Briefly discuss any two features of the following source of finance available to an organisation in India: Venture Capitalists

68. Public deposits and retained profits (one-mark)

Asked 3× · Board 2023, Sample 2025, Sample 2026 · 1 marks

State whether the following statement is True or False: A dividend policy of the company determines the extent to which profits can be retained in the business.

69. Explain equity and preference shares as sources of finance

Asked 3× · Board 2024, Board 2026 · 2 marks

Briefly describe the following source of business finance: Equity Shares

70. Explain discounting of bills of exchange

Asked 2× · Sample 2024, Sample 2026 · 2 marks

Briefly discuss any two features of the following source of finance available to an organisation in India: Discounting of Bills of Exchange

71. Explain crowd funding / peer to peer funding

Asked 2× · Sample 2024, Sample 2025 · 2 marks

What is meant by the following term with reference to the sources of finance? Peer to peer Funding

72. Explain debentures as a source of finance

Asked 2× · Board 2024, Sample 2026 · 2 marks

Briefly discuss any two features of the following source of finance available to an organisation in India: Debentures

73. Explain loans / trade credit as sources of finance

Asked 3× · Board 2023, Board 2024, Board 2025 · 2 marks

Briefly explain: Loans

Globalisation

74. Effects of globalisation on business / opportunities and threats

Asked 3× · Board 2024, Board 2025, Sample 2024 · 4 marks

State any four effects of Globalisation on business around the world.

75. Meaning of globalisation (one-mark)

Asked 2× · Sample 2023, Sample 2026 · 1 marks

Assertion: Globalisation implies treating the entire world as one market.
Reason: Globalisation involves cross-border movement of goods, services, capital, technology, information and people.
(a) Both Assertion and Reason are true, and Reason is the correct explanation for Assertion.
(b) Both Assertion and Reason are true, but Reason is not the correct explanation for Assertion.
(c) Assertion is true and Reason is false.
(d) Both Assertion and Reason are false.

76. Effects of globalisation (true or false)

Asked 3× · Board 2023, Board 2024, Board 2026 · 1 marks

State whether the following statement is True or False: Trade blocks such as increase in tariffs restrict globalisation of industries.

e-Business and Online Means of Business

77. Explain an online means of business (B2B, G2B, Intra B)

Asked 4× · Board 2024, Board 2025, Board 2026 · 2 marks

Briefly discuss: G2B

78. Identify the online means of business from a situation

Asked 2× · Sample 2023, Sample 2026 · 1 marks

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A manufacturing company files its GST returns and pays taxes through the official public
portal of the income tax department.
Which type of online transaction does this represent?
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79. Meaning of e-business (one-mark)

Asked 2× · Board 2024, Sample 2023 · 1 marks

_____ refers to commercial transactions done via internet wherein goods or services are delivered in an electronic or a tangible form.

Outsourcing

80. Identify BPO / KPO / LPO from its description

Asked 3× · Board 2026, Sample 2023, Sample 2026 · 1 marks

Name the outsourcing process in which an organisation assigns its non-core processes to an external agency.

81. Explain the meaning of outsourcing

Asked 3× · Board 2026, Sample 2023, Sample 2025 · 2 marks

Briefly discuss: Outsourcing

Business Regulators and Intermediaries

82. Identify the regulator and its role (one-mark)

Asked 7× · Board 2024, Board 2025, Board 2026, Sample 2023, Sample 2024, Sample 2025, Sample 2026 · 1 marks

State whether the following statement is True or False: Food Safety and Standards Authority of India (FSSAI) collects and collates data on contamination of water.

83. Expand the abbreviation of a regulator (FSSAI, CRISIL)

Asked 2× · Board 2023, Sample 2024 · 1 marks

Expand CRISIL

guesspaper.app