



MB 101

First Semester Master of Business Administration Examination, July 2013
Course – 1 : MANAGEMENT – THEORY AND PRACTICE

Time : 3 Hours

Max. Marks : 75

SECTION – A

(5×2=10)

1. Answer **all** the sub-questions. **Each** sub-question carries **2** marks.
- Define management.
 - What are the elements of planning ?
 - What is decision making ?
 - What is MBE ?
 - Define delegation.

SECTION – B

(2×10=20)

Answer **any two** questions. **Each** question carries **10** marks.

- What are the characteristics of management and explain the skills that managers should possess at various levels ?
- Discuss the various steps in planning process and its importance in devising a sound plan.
- Distinguish between programmed and non-programmed decisions.
- Write a note on total quality management and learning organisation.

SECTION – C

(3×15=45)

Answer **any three** questions. **Each** question carries **15** marks.

- Compare and contrast F.W. Taylors contribution and Henry Fayols contribution to management.
 - Discuss the types of plans and planning techniques.
 - Explain the salient features of organisation and discuss briefly few types of organisation structures.
 - Give an account of important leadership theories and their influence in moulding the leadership styles.
 - Distinguish between Herzberg's 2 factor theory and Alderfer's ERG theory of motivation.
 - 'Controlling is misconstrued as a Punitive measure in most of the organisations'. Comment.
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MB 102

First Semester M.B.A. Examination, July 2013
Course – 2 : MANAGERIAL ECONOMICS

Time : 3 Hours

Max. Marks : 75

SECTION – A

Answer **all** sub-questions. **Each** sub-question carries **two** marks. **(5×2=10)**

1. a) List out the exceptions to the law of demand.
- b) Define managerial economics.
- c) Define demand.
- d) What is duopoly ?
- e) What is Inflation ?

SECTION – B

Answer **any two** questions. **Each** question carries **ten** marks. **(2×10=20)**

2. Explain the factors influencing managerial decisions.
3. Explain the meaning, significance, purpose of forecasting and also give the criteria of a good forecasting method.
4. Explain different degrees of price discrimination.
5. Discuss the features of monopolistic markets.

SECTION – C

Answer **any three** questions. **Each** question carries **fifteen** marks. **(3×15=45)**

6. What do you mean by equilibrium of the firm ? How it can be achieved by the firm and the industry under different market conditions ?
 7. Discuss the various methods of forecasting the demand for a new product.
 8. What do you understand by pricing ? Discuss the factors affecting pricing decisions.
 9. Explain the cost output relationship in both the short run and long run periods.
 10. Describe the role of managerial economics in business decision making.
 11. Explain the relationship between demand and revenue under different elasticities of demand.
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MB 103

First Semester M.B.A. Examination, July 2013
Course – III : ACCOUNTING FOR MANAGERS

Time : 3 Hours

Max. Marks : 75

SECTION – A

1. Answer **all** sub-questions. **Each** carries **2** marks. **(5×2=10)**
- a) What do you mean by convention of conservatism ?
 - b) Distinguish between cash and accrual basis of accounting.
 - c) What is responsibility accounting ?
 - d) What is master budget ?
 - e) What is capital gearing ratio ?

SECTION – B

Answer **any two** questions. **Each** question carries **10** marks. **(2×10=20)**

2. Explain the various accounting conventions which influence the preparation of financial statements.
3. Journalise the following transactions :
- i) Paid rent of building Rs. 12,000, half of the building is used by the proprietors for residential purpose
 - ii) Paid for insurance of the above building in advance Rs. 1,000
 - iii) Paid life insurance premium Rs. 2,000
 - iv) Paid income tax Rs. 3,000
 - v) Salary due to clerk Rs. 500
 - vi) Charge depreciation on furniture @ 10 % p.a. for one month (furniture Rs. 20,000).
4. How do you treat the following items of adjustments appearing outside the Trial Balance ?
- a) Outstanding expenses
 - b) Additional bad debts
 - c) Incomes received in advance
 - d) Depreciation
 - e) Interest on capital
5. What are subsidiary books ? Explain their significance.

P.T.O.



SECTION – C

Answer **any three** questions. **Each** question carries **15** marks. **(3×15=45)**

6. What is cost-volume-profit analysis ? Explain its importance and limitations.
7. Distinguish between cash flow statement and funds flow statement.
8. Discuss the various liquidity ratios. How should one interpret them ?
9. From the following summarized Balance Sheets of Sri Venkateshwara Co. Ltd., as on 31-03-2009 and 31-03-2010, prepare a Cash Flow Statement.

| Liabilities | 31-03-2009 | 31-03-2010 |
|-------------------------|-------------------|-------------------|
| | (Rs.) | (Rs.) |
| Share capital | 4,50,000 | 5,00,000 |
| General Reserve | 3,00,000 | 3,10,000 |
| Profit and Loss Account | 56,000 | 68,000 |
| Creditors | 1,68,000 | 1,34,000 |
| Mortgage Loan | – | 2,20,000 |
| Provision for taxation | 75,000 | 10,000 |
| | 10,49,000 | 12,42,000 |
| Assets | 31-03-2009 | 31-03-2010 |
| | (Rs.) | (Rs.) |
| Fixed Assets | 4,00,000 | 3,20,000 |
| Investments | 50,000 | 60,000 |
| Stock | 2,40,000 | 2,10,000 |
| Debtors | 2,10,000 | 4,55,000 |
| Bank | 1,49,000 | 1,97,000 |
| | 10,49,000 | 12,42,000 |

Additional information :

- a) Investments costing Rs. 8,000 were sold during the year for Rs. 8,500
- b) Provision for taxation made during the year amounted to Rs. 9,000
- c) During the year, a part of the fixed assets costing Rs. 10,000 were sold for Rs. 12,000
- d) Dividend paid during the year amounted to Rs. 40,000.



10. Following is an incomplete Balance Sheet given to you.

| Liabilities | Rs. | Assets | Rs. |
|--------------------|------------------|---------------|------------------|
| Equity Capital | 3,00,000 | Fixed Assets | — |
| Retained Earnings | 3,00,000 | Inventories | — |
| Creditors | — | Debtors | — |
| | | Cash | — |
| | 10,00,000 | | 10,00,000 |

You are given the additional information :

- a) Total Debt is $\frac{2}{3}$ of the Net Worth
- b) Turnover of total assets is 1.8
- c) 30 days sales are in the form of Debtors
- d) Turnover of inventory is 2
- e) Cost of goods sold in the year is Rs. 9,00,000
- f) Acid Test Ratio is 1:1

Complete the Balance Sheet using the additional information.

11. The Trading results of Manasa Stores, Mysore for the last 2 years were as under :

| Year | Sales (Rs.) | Profit (Rs.) |
|-------------|--------------------|---------------------|
| 2011 | 7,20,000 | 54,000 |
| 2012 | 8,40,000 | 78,000 |

Assuming that the capital structure and the selling price remains the same.

Calculate :

- a) Profit Volume Ratio
 - b) Fixed expenses
 - c) Break Even Point
 - d) Margin of Safety of 2011 and 2012
 - e) Sales required to earn the desired profit of Rs. 90,000
 - f) Profit at sales of Rs. 7,50,000.
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I Semester M.B.A. Examination, July 2013
Course – IV : ORGANISATIONAL BEHAVIOUR

Time : 3 Hours

Max. Marks : 75

SECTION – A

1. Answer **any five** sub-questions. **Each** sub-question carries **2** marks.
- a) What are perceptual errors ?
 - b) Define organisational culture.
 - c) What do you mean by High morale ?
 - d) What are attitudes ?
 - e) Define motivation.

SECTION – B

Answer **any two** questions. **Each** question carries **10** marks.

- 2. Briefly explain the various models of organisational behaviour.
- 3. What is perception ? Explain the steps in perceptual process.
- 4. How an internal factor of environment affect the success of organisation ?
- 5. Explain the process of group decision making.

SECTION – C

Answer **any three** questions. **Each** question carries **15** marks.

- 6. Define organisational behaviour and explain the factors that influence organisational behaviour.
 - 7. What do you mean by personality ? Discuss the trait theory of personality.
 - 8. Describe the various styles of leadership.
 - 9. Define group cohesiveness and explain the consequences of high or low cohesiveness.
 - 10. What is organisational change ? Explain the factors that affect organisational change.
 - 11. Critically evaluate the impact of organisational climate and organization culture on the organization effectiveness.
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MB 105

**First Semester M.B.A. Examination, July 2013
(New Scheme)
MANAGEMENT
C – 5 – Quantitative Techniques**

Time : 3 Hours

Max. Marks : 75

SECTION – A

1. Answer **all** the questions. **Each** question carries **two** marks. **(2×5=10)**
- a) Define statistics.
 - b) What is coefficient of range ?
 - c) If $A = \{b, d, e\}$ and $A' = \{b, g, h\}$ what is U ?
 - d) The cost function of a firm is given by $2x + 10,000$. Find the marginal and average cost.
 - e) Differentiate between sample and population.

SECTION – B

Answer **any two** questions. **Each** question carries **10** marks. **(2×10=20)**

2. Discuss the different methods of collecting secondary data.
3. Distribution of marks in accounting and financial management of 10 students in a certain test is given below. Find Spearman's rank correlation coefficient.

Marks in 25 28 32 36 40 32 39 42 40 45
accounting

Marks in FM 70 80 85 70 75 65 59 65 54 70

4. There are three doctors, 4 engineers, 2 statisticians and 1 economist. A committee of 4 from among them is to be formed. Find the probability that the committee consist of
- i) One of each kind
 - ii) At least one doctor
 - iii) Economist as a member and 3 others
5. Explain the binominal distribution.

P.T.O.



SECTION – C

Answer **any three** questions. **Each** carries **15** marks.

(3×15=45)

6. The cost function of a firm is $Tc = 300x - 10x^2 + \frac{1}{3}x^3$.

Find the output at which the

- i) Marginal cost is minimum
 - ii) Average cost is minimum
 - iii) Average cost is equal to marginal cost
7. In a factory, all the employees must join at least one of the three schemes viz., Pension scheme, provident fund or insurance scheme. On a particular day of a year, there were 780, 950 and 600 employees in pension, provident fund and insurance scheme respectively, out of the total number of employees 250 had opted for provident fund and insurance, 400 had opted for insurance and pension 180 had opted for pension and provident fund options. 80 Employees had opted for all the schemes. Find :
- i) The total no. of employees in organization.
 - ii) No. of employees who have opted two schemes.
 - iii) No. of employees who have opted for pension only.
- Substantiate your answer with Venn diagram.
8. Explain the significance of hypothesis in a statistical investigation.
9. In an intelligence test administered for 1000 students, the average score was 42 and standard deviation was 6. Assuming normal distribution. Find
- i) The number of students exceeding 50
 - ii) The score exceeded by top 100 students
 - iii) The score obtained by last 200 students
10. Prove that median lies between mean and mode using the following data :
- | | | | | | | |
|----------------|----|----|----|----|----|-----|
| Age (below) | 10 | 20 | 30 | 40 | 50 | 60 |
| No. of persons | 11 | 35 | 50 | 79 | 89 | 100 |
11. Critically evaluate the qualitative and quantitative techniques of sampling. Explain the merits and demerits of each.
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MB 106

First Semester M.B.A. Examination, July 2013
MANAGEMENT
Course – VI : Business Ethics and Values

Time : 3 Hours

Max. Marks : 75

SECTION – A

1. Answer **all** sub-questions. **Each** sub-question carries **two** marks : **(5×2=10)**
- Define business ethics.
 - What is quality of work life ?
 - What is Whistle Blowing ?
 - What do you mean by ethical convergence ?
 - What is value ?

SECTION – B

Answer **any two** questions. **Each** question carries **ten** marks : **(2×10=20)**

- “From ethical point of view, big business is always bad business” – Discuss.
- “Social responsibility of business is a fair practice of a game for frame” – Discuss.
- Describe the properties of value based management and ethical decision making.
- Examine the ethical issues in promotional strategies.

SECTION – C

Answer **any three** questions. **Each** question carries **fifteen** marks : **(3×15=45)**

- Give a detailed account of pros and cons of downsizing of Human resources.
- Define corporate culture and explain its deterrents in multinational organisations.

P.T.O.



8. Explain the steps taken by the government with respect to the following in India :
 - a) Sexual harassment in the working place.
 - b) Avoiding obscene and vulgarity in advertisement.
 - c) Protection of intellectual properties.
 9. "India ranks among the most corrupt nations". How do you fight corruption ? Explain.
 10. Discuss the ethical guidelines to help HR professionals in dealing with ethical issues of HRM.
 11. Ethical problems do occur in business; explain reasons, sources and some guidelines to managers to make ethical decisions.
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MB 113

**Third Semester M.B.A. Examination, July 2013
MANAGEMENT**

**Course – 13 : Management of Small Business and Entrepreneurship
Development**

Time : 3 Hours

Max. Marks : 75

SECTION – A

1. Answer **any five** sub-questions, **each** sub-question carries **2** marks. **(5×2=10)**
- Define Entrepreneur.
 - Who is an intrapreneur ?
 - State the theory of entrepreneurship motivation.
 - What are the non-quantifiable projects ?
 - What is NAYE ?
 - What are the external source of finance ?
 - Bring out the names of few successful women entrepreneurs.

SECTION – B

- Answer **any four** questions, **each** question carries **5** marks. **(4×5=20)**
- Explain the characteristics of successful entrepreneur.
 - Give an account of types of entrepreneurs with suitable examples.
 - Briefly explain the process of EDP.
 - What are the sources of project identification ?
 - Bring out the problems of rural entrepreneurs.
 - What are the common errors in project formulation ?

SECTION – C

- Answer **any three** question. **Each** questions carries **10** marks. **(3×10=30)**
- Discuss the various theories of entrepreneurship and their relevance in intrapreneurial development.
 - Explain the steps involved in developing a project report.

P.T.O.



10. Critically assess the problems and prospects of MSME's in the wave of globalization.
11. Discuss the support from various institutions for the small scale industries.
12. 'The obstacles for women entrepreneurs are women themselves'. Discuss.

SECTION – D

13. Case (**Compulsory**). **(1×15=15)**

Baba Bazaar is the first Indian E-commerce site offering the convenience to order fresh vegetables and other related food products of various companies, including Nestles and Dabur, over the net. This concept has been tried successfully in Australia and the US. Currently, Baba Bazaar is catering to only selected areas in Chandigarh, Delhi, New Delhi, Noida and parts of Gurgaon. They have plans to extend operations to other major cities for nation-wide operations.

Baba Bazaar launched its web site storefront in early 1998. The initial response was mixed. However, their promotional strategy has facilitated building an extensive customer base. At present Baba Bazaar has a customer base of more than two thousand. This base is growing steadily. They are adding to their base, eight to ten new customers everyday.

Baba Bazaar started with the sale of vegetables as they felt that being a very basic commodity, the market potential was unlimited. From vegetables, they moved on to other food products to become a one-stop shop for foodstuffs. As the volume of business grows, they plan to go in for backward integration and start sourcing the vegetables from the farmers. This will ensure that consumers get better and more fresh vegetables and food products.

Baba Bazaar had devised an inexpensive but engaging procedure of securing the transactions and building 'relationship'. To become a preferred Baba Bazaar shopper, the customer has to fill up a simple registration form online. The details furnished in this form are verified telephonically by the staff of Baba Bazaar. On verification, the shopper (customer) is issued a shopper access password, which is required to be used at the time of ordering goods on the site. This password is sent to the shopper by courier to ensure security along with the 'User's Manual'. This manual introduces Baba Bazaar to the shoppers and guides them through it. This has enabled them to initiate a 'relationship' building process before the shopper places the first order. It has also allowed them 'to build trust' and give shopper a positive impression of the business-essential ingredients for the development and growth of their 'online' business.



The shoppers are required to make payment on delivery and have been given the following options :

- Cash on delivery
- Post-dated cheques for up to one week from the time of the delivery
- At the time of the next delivery

This procedure has been designed for the following reasons :

- In India customers do not entertain payment before receiving the goods and/or services
- High processing cost of credit cards transactions, which according to them is about 4-5% of the total transaction cost. This would increase the cost of goods.
- Low penetration of credit cards; and
- Absence of secure payment gateways.

The procedure has enabled them to ensure the prices of goods are competitive, build an extensive database of their shoppers specific needs and requirements and provide their shoppers personalised service.

The owners of Baba Bazaar developed the web storefront in-house because available software was unable to provide a seamless integration of their operations. This has also enabled them to incorporate shoppers' suggestions and update the web site on an ongoing basis. Website is simple, product display assists shoppers in making their shopping decisions, easy to navigate, the order form is simple to complete and an order can be placed with a few clicks of the mouse. What started off as a basic E-com web site grew to be a consumer-centric website within a short period. This is primarily due to the overwhelming response to the site and the felt-need to grow by ensuring fulfilment of the customers expectations. This strategy has also ensured steady growth in business.

Baba Bazaar is currently patronised by the yuppie, rushed for time working wives, who would be able to get to their nearest vegetable grocer, place an order and have it waiting on their doorstep, when they reach home, all by the click of a mouse from their work desk. Well, it is a matter of time when ordinary housewives may also begin using this website.

Question :

- 1) Analyse the case in the light of SWOT analysis.
 - 2) Do you suggest any other environmental scanning technique ?
 - 3) Critically evaluate the scope for e-marketing.
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MB 114

III Semester M.B.A. Examination, July 2013
Course – 14 : BUSINESS POLICY AND STRATEGIC MANAGEMENT

Time : 3 Hours

Max. Marks : 75

SECTION – A

Answer **any five** sub-questions. **Each** sub-question carries **2** marks. **(2×5=10)**

1. a) Define strategy.
- b) Define core competence.
- c) Distinguish between goals and targets.
- d) Who are the cost leaders ?
- e) What do you mean by corporate restructuring ?
- f) What are preventive controls ?

SECTION – B

Answer **any four** questions. **Each** question carries **5** marks. **(4×5=20)**

2. List out the factors that affect turn around management.
3. Indicate the reasons for business diversification strategies.
4. Enumerate the qualities of an effective mission statement.
5. State Michael E. Porters model of industry analysis.
6. Why do corporate alliances fail ?
7. Distinguish between cost control and cost reduction strategies.

SECTION – C

Answer **any three** questions. **Each** question carries **10** marks. **(3×10=30)**

8. Discuss the various stages of the evolution of Business policy and strategic management.
9. Discuss the various dimensions of setting corporate objectives.
10. Define grand strategies and explain their various forms.
11. “Devising a strategy is easier than its implementation”. Discuss.
12. Explain the opportunities and obstacles for globalising Indian Business.

P.T.O.



SECTION – D

13. Read the following case and answer the questions given :

15

Case Study :

Dr. Sukumar inherited his father's Dey's Lab in Delhi in 1995. Till 2002, he owned 4 labs in the National Capital Region (NCR). His ambition was to turn it into a National chain. The number increased to 7 in 2003 across the country, including the acquisition of Platinum lab in Mumbai. The number is likely to go to 50 within 2 – 3 years from 21 at present. Infusion of Rs. 28 crores for a 26% stake by Pharma Capital has its growth strategy. The lab with a revenue of Rs. 75 crores is among top three Pathological labs in India with Atlantic (Rs. 77 crores) and Pacific (Rs. 55 crores). Yet its market share is only 2% of Rs. 3,500 crores market. The top 3 firms command only 6% as against 40 – 45% by their counterparts in the USA. There are about 20,000 to 1,00,000 stand alone labs engaged in routine pathological business in India, with no system of mandatory licensing and registration. That is why Dr. Sukumar has not gone for acquisition or joint ventures. He does not find many existing laboratories meeting quality standards. His six labs have been accredited nationally whereon many large hospitals have not thought of accreditation. The College of American Pathologists accreditation of Dey's lab would help it to reach clients outside India. In Dey's Lab, the bio-chemistry and blood testing equipments are sanitized everyday. The bar coding and automated registration of patients do not allow any identity mix-ups. Even routine tests are conducted with highly sophisticated systems. Technical expertise enables them to carry out 1650 variety of tests. Same day reports are available for samples reaching by 3 p.m. and by 7 a.m. next day for samples from 500 collection centres located across the country. Their technicians work round the clock, unlike competitors. Home services for collection and reporting is also available. There is a huge unutilized capacity. Now it is trying to top other segments. 20% of its total business comes through its main laboratory which acts as a reference lab for many leading hospitals. New mega labs are being built to encash preclinical and multi-centre clinical trials questions.

Questions :

- i) What do you understand by the term Vision ? What is the difference between 'Vision' and 'Mission' ? What vision Dr. Sukumar has at the time of inheritance of Dey's lab ? Has it been achieved ?
 - ii) For growth what business strategy has been adopted by Dr. Sukumar ?
 - iii) What is the marketing strategy of Dr. Sukumar to overtake its competitors ?
 - iv) In your opinion what could be the biggest weakness in Dr. Sukumar's business strategy ?
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MB 115

**Third Semester M.B.A. Examination, July 2013
(Compulsory)
Course – 15 : OPERATIONS RESEARCH**

Time : 3 Hours

Max. Marks : 75

SECTION – A

1. Answer **any five** questions. **Each** question carries **two** marks : **(5×2=10)**
- a) List the models of operations research.
 - b) What is an objective function ?
 - c) What is a slack variable ?
 - d) What is degeneracy in transportation problem ?
 - e) What do you mean by free bloat ?
 - f) Define a saddle point.
 - g) State the types of replacement policies.

SECTION – B

Answer **any four** questions. **Each** question carries **five** marks : **(4×5=20)**

2. A company produces 2 types of hats, every hat A requires twice as much labour time as the second hat B. If the company produces only one hat B it can produce a total of 500 hats per day. The market limits daily sales of hat A and B to 150 and 250 respectively. The profit on hat A and B are Rs. 8 and Rs. 5 respectively. Formulate the problem.

3. Solve the assignment problem in order to minimize the total cost

| | | | | | |
|---|----|----|----|----|----|
| A | 30 | 25 | 33 | 35 | 36 |
| B | 23 | 29 | 38 | 23 | 26 |
| C | 30 | 27 | 22 | 22 | 22 |
| D | 25 | 31 | 29 | 27 | 32 |
| E | 27 | 29 | 30 | 24 | 32 |

4. Explain the principal assumptions in sequencing.

P.T.O.



5. In a supermarket, the average arrival rate of customers is 10 every 30 minutes following Poisson process. The average time taken by a cashier to list and calculate the customer's purchase is two and a half minutes following exponential distribution. What is the probability that the queue length exceeds six ? What is the expected time spent by a customer in the system ?
6. Define strategy and explain types of games.
7. A machine costs Rs. 10,000. It's operating and resale values are given below

| Year | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 |
|----------------|------|------|------|------|------|------|------|------|
| Operating cost | 1000 | 1200 | 1400 | 1700 | 2000 | 2500 | 3000 | 3500 |
| Resale value | 6000 | 4000 | 3200 | 2600 | 2500 | 2400 | 2000 | 1600 |

Suggest an optimum replacement policy for the company.

SECTION – C

Answer **any three** questions. **Each** question carries **10** marks :

(3×10=30)

8. Solve the following transportation problem to get optimal solution

| | | Destinations | | | | Supply |
|--------|----------------|----------------|----------------|----------------|----------------|--------|
| | | D ₁ | D ₂ | D ₃ | D ₄ | |
| Origin | O ₁ | 6 | 1 | 9 | 3 | 70 |
| | O ₂ | 11 | 5 | 2 | 8 | 55 |
| | O ₃ | 10 | 12 | 4 | 7 | 70 |
| Demand | | 85 | 35 | 50 | 45 | |

9. The following table shows the jobs of a network along with their time estimates

| Job | Optimistic | Most likely | Pessimistic |
|-----|------------|-------------|-------------|
| 1-2 | 1 | 7 | 13 |
| 1-6 | 2 | 5 | 14 |
| 2-3 | 2 | 14 | 26 |
| 2-4 | 2 | 5 | 8 |
| 3-5 | 7 | 10 | 19 |
| 4-5 | 5 | 5 | 17 |
| 6-7 | 5 | 8 | 29 |
| 5-8 | 3 | 3 | 9 |
| 7-8 | 8 | 17 | 32 |

Draw the project network and find the probability of the project completing in 40 days.



10. Discuss the use of operations research in decision making process.

11. Solve the following LPP using simplex

Minimize $z = 5x + 3y$

Subject to $2x + 4y \leq 12$

$2x + 2y = 10$

$5x + 2y \geq 10$

$x, y \geq 0$

12. Is the following game stable ? Solve the game

| | | | | | |
|-----------------|--|-----------------|-----|----|---|
| | | Player B | | | |
| | | 5 | -10 | 9 | 0 |
| Player A | | 6 | 7 | 8 | 1 |
| | | 8 | 7 | 15 | 1 |
| | | 3 | 4 | -1 | 4 |

SECTION – D

13. Case (compulsory) :

(1×15=15)

A company is going to develop a new product in the market. These alternative decisions are available for the management

A₁ - Advertise on television, where advertising cost is Rs. 3,000 per day

A₂ - Appointing salesmen for marketing the cost is Rs. 1,200 per day

A₃ - Conducting an exhibition , where the cost is 900 per day

The unit price is fixed at Rs. 25 product and the cost of units associated with the respective decision alternatives are 9, 5 and 11. The expected demand for the product is as follows

| | | | | |
|--------------------|-----|-----|-----|-----|
| Demand | 200 | 300 | 400 | 500 |
| Probability | 0.3 | 0.2 | 0.4 | 0.1 |

Help the company to decide upon the best alternative among three decisions.



MB 116 A

**III Semester M.B.A. Examination, July 2013
MANAGEMENT
Elective A : Finance
Course : 16 A : Investment Management**

Time : 3 Hours

Max. Marks : 75

Instruction : Attempt all Sections. Section D is compulsory.

SECTION – A

- I. Answer **any five** sub-questions. **Each** question carries **2** marks. **(5×2=10)**
- Define capital budgeting.
 - State the advantages of Accounting Rate of Return.
 - What are mutually exclusive projects ?
 - What is sensitivity analysis ?
 - What are incremental operating cash flows ?
 - How does inflation influences cash flows ?
 - Why proposals with positive NPV should be accepted ?

SECTION – B

Answer **any four** questions. **Each** question carries **5** marks. **(4×5=20)**

- Describe the different types of capital investment decisions with suitable examples.
- What are the techniques of measuring project risk ?
- How do you differentiate between risk and uncertainty ?
- Write a note on profitability index.
- A project requires an initial investment of ₹ 5,00,000. The annual cash inflow is ₹ 1,20,000 for 6 years. Calculate IRR.

P.T.O.



7. X Limited is considering the purchase of new machine. Two machines are available E and F the cost of each machine is ₹ 60,000 each machine has an expected life of 5 years. Net profit before tax during the expected life of machine are given below.

| Year | Machine E | Machine F |
|------|-----------|-----------|
| 1 | 15,000 | 5,000 |
| 2 | 20,000 | 15,000 |
| 3 | 25,000 | 20,000 |
| 4 | 15,000 | 30,000 |
| 5 | 10,000 | 20,000 |

Calculate ARR, assume 40 % tax rate.

SECTION – C

Answer **any three** questions. **Each** question carries **10** marks. **(3×10=30)**

8. Critically examine the scope of project management in Indian scenario.
9. Calculate the mean cash flow and standard deviation of cash flows for the following projects.

| Project X | | Project Y | |
|-----------|-------------|-----------|-------------|
| Cash flow | Probability | Cash flow | Probability |
| 3,000 | 0.15 | 2,000 | 0.10 |
| 2,000 | 0.30 | 3,000 | 0.20 |
| 1,500 | 0.20 | 1,000 | 0.30 |
| 2,000 | 0.35 | 4,000 | 0.40 |

10. How does scenario analysis compared with sensitivity analysis ?
11. Explain time adjusted methods of evaluating the investment projects. Bring out their merits and demerits.
12. A project costs Rs. 16,000 and is expected to generate cash inflows of ₹ 8,000, ₹ 7,000 and ₹ 6,000 at the end of each year for next 3 years. Calculate the NPV and internal rate of return of the project. The firm is cost of capital is 10 %.



SECTION – D

13. Case (**Compulsory**) :

(1×15=15)

X Co. has made the following estimation of cash flows associated with an investment proposal. The equipment costs ₹ 40,000 and the cost of capital is 10 %.

Cash flow after tax for year one = ₹ 25,000 with probability of 0.30 and cash flow after tax for year one is ₹ 30,000 with associated probability of 0.70.

Year two cash flow is given below :

| CFAT ₂ | Prob | CFAT ₂ | Prob |
|-------------------|------|-------------------|------|
| 12,000 | 0.20 | 20,000 | 0.40 |
| 16,000 | 0.30 | 25,000 | 0.50 |
| 22,000 | 0.50 | 30,000 | 0.10 |

Construct a decision tree for the project. Calculate mean NPV (\overline{NPV}) and \overline{NPV}^{σ} (Standard deviation NPV). At what NPV's the project yield when the best and worst outcomes are realised and what are their probabilities ?



MB 116 B

III Semester M.B.A. Examination, July 2013
Marketing (Elective – B)
Course – 16B : PRODUCT AND BRAND MANAGEMENT

Time : 3 Hours

Max. Marks : 75

SECTION – A

Answer **any five** questions of **all** sub-questions. **Each** question carries **2** marks. **(5×2=10)**

1. a) What is global marketing ?
- b) Define the term Brand.
- c) What is marketing research.
- d) What are the various types of product ?
- e) Define packaging.
- f) What do you understand by brand leverage ?
- g) What is competitor analysis ?

SECTION – B

Answer **any four** questions. **Each** question carries **5** marks. **(4×5=20)**

2. Define product. Explain different types of product.
3. Describe the process of market planning.
4. What do you understand by product mix ?
5. Explain different types of packaging.
6. Give an account of challenges in successful branding.
7. Describe the evolution of packaging trends.

SECTION – C

Answer **any three** questions. **Each** question carries **10** marks. **(3×10=30)**

8. Describe the role of sales force in marketing a new product.
9. What is differential advantage analysis ? How does an organization can gain competitive advantage over the rivals ?
10. Define market forecasting. Describe the methods of estimating market potentials.
11. What strategies an MNC can adopt while entering into a market ? Explain.
12. What is brand image ? How brand image can be created and sustained ?

P.T.O.



SECTION – D

13. Case Study :

(1×15=15)

Packaging

Nomax Inc. of St. Louis, Missouri, is a registered drug and medical device manufacturer and packager of solid and effervescent tablets, granules, non-sterile liquids, premoistened towelettes and a variety of laminated diagnostic strips.

The Situation

In 2005, Nomax was informed that its supplier of flexible packaging would be going out of business. Nomax has less than six months to qualify new supplier of flexible packaging and had to act quickly.

With strict packaging specifications for moisture-sensitive products, Nomax needed to locate a packaging supplier capable of providing materials that could ensure barrier protection for all of the company's products. Each product had its own unique barrier requirements that needed to be met in order to ensure product integrity.

Nomax also needed an agile supplier that could quickly supply test materials in time to perform the twelve weeks of stability testing required by the FDA, while still allowing enough time to fill the pipeline before their current inventory of material was depleted.

Larry Jeske, Director of Operations of Nomax, decided to include Glenroy in the search for a new packaging film supplier. Dedicated to customer service, Glenroy's employees quickly met to develop a solution to solve Nomax's problem. Within two weeks of the initial contact with Glenroy, the converter was able to manufacture and provide test rolls for all products.

Nomax was able to meet the FDA guidelines for stability testing, qualify material and replenish inventory without missing any production time.

According to Jeske, "Glenroy was very easy to work with and very cooperative. I think the world of Glenroy's service. Everybody I've ever dealt with at Glenroy has been extremely helpful, from the quality assurance engineers to the purchasing agents. I consider Glenroy a top-notch vendor and have found the company's products to be competitively priced."

Questions :

- 1) Define Flexible Packaging.
 - 2) Think yourself as the Director of Operations of Nomax and suggest other alternative solutions to the problem.
-



MB 116 C

**III Semester M.B.A. Examination, July 2013
MGT.**

**Elective : C : Human Resource
Course : 16 C : Management of Training and Development**

Time : 3 Hours

Max. Marks : 75

SECTION – A

1. Answer **any five** questions. **Each** carries **two** marks. **(5×2=10)**
- a) What are the objectives of training ?
 - b) What is need assessment of training ?
 - c) What is online learning ?
 - d) What is apprenticeship training ?
 - e) What is Development ?
 - f) What is education ?
 - g) What is CIRO ?

SECTION – B

- Answer **any four** from the following. **Each** carries **five** marks. **(4×5=20)**
- 2. Differentiate between training and development.
 - 3. Explain the off-the job training methods.
 - 4. What are the objectives and benefits of training ?
 - 5. What is training evaluation ? Explain its objectives.
 - 6. Discuss various approaches of learning.
 - 7. What is MDP ? Explain its objectives.

P.T.O.



SECTION – C

Answer **any three** questions. **Each** carries **10** marks. **(3×10=30)**

8. Describe the various methods of evaluation of effectiveness of training programme.
9. Explain on-the job methods of training with their merits.
10. Explain the training and development practices in I.T. industries.
11. Describe the role of technology in training and development.
12. What are business games ? Explain the types and role of business homes in executive development.

SECTION – D

13. Case (**Compulsory**) : **(1×15=15)**

Assume that you are the training officer in a manufacturing company of automobile industry. Discuss in detail and design a training programme for first level managers to handle the operations independently.

Design the programme with objectives, schedule, content and methods and techniques to be adopted in conducting the training programme.



MB 117 A

III Semester M.B.A. Examination, July 2013
Elective – A : FINANCE
Course – 17 A : Merchant Banking and Financial Services

Time : 3 Hours

Max. Marks : 75

SECTION – A

(5×2=10)

1. Answer **any five** questions. **Each** question carries **two** marks.
- Define financial instrument.
 - What is primary market ?
 - What is rights issue ?
 - What do you mean by depository ?
 - What is factoring ?
 - What is venture capital ?
 - What is credit rating ?

SECTION – B

(4×5=20)

Answer **any four** questions. **Each** question carries **five** marks.

- Explain any five types of financial services provided by merchant banker.
- What are the post issue obligations of a merchant banker in managing public issues ?
- Discuss the functions of secondary market.
- Explain different methods raising funds in international markets.
- Differentiate between factoring and forfeiting.
- Discuss the different types of leasing.

P.T.O.



SECTION – C

(3×10=30)

Answer **any three** questions. **Each** question carries **10** marks.

8. Critically analyse the regulatory frame work for merchant bankers in India.
9. Describe the origin and stages of venture capital in India.
10. Give a detailed account of the insurance services offered by some of the leading insurance companies in India.
11. Explain the methodology of credit rating agencies while rating corporate securities.
12. Explain the mechanism involved in securitization process.

SECTION – D

15

13. Case Study.

ABC Ltd. is considering the lease of an equipment, has an estimated economic life of 5 years which has a purchase price of Rs. 3,50,000. The salvage value is zero and the company follows straight line method of depreciation. The lease rentals per year are Rs. 1,20,000. The company pays 40% tax on its income. If the before tax rate of borrowing for the company is 20%, should the company lease the equipment ?

Discount factor :

| Year | 1 | 2 | 3 | 4 | 5 |
|----------|-------|-------|-------|-------|-------|
| PV @ 10% | 0.909 | 0.826 | 0.751 | 0.683 | 0.621 |
| PV @ 20% | 0.833 | 0.694 | 0.579 | 0.482 | 0.402 |



MB 117 B

**Third Semester M.B.A. Examination, July 2013
(Elective – B : Marketing)
MANAGEMENT
Course – 17 B : Marketing of Service**

Time : 3 Hours

Max. Marks : 75

SECTION – A

1. Answer **any five** questions. **Each** question carries **two** marks : **(5×2=10)**
- What do you mean by intangibility of service ?
 - Differentiate between goods and services.
 - What is marketing mix ?
 - What is service quality ?
 - What is service promotion ?
 - What do you mean by queuing ?
 - Define accessibility.

SECTION – B

- Answer **any four** questions. **Each** question carries **five** marks : **(4×5=20)**
- What are the basic characteristics of services ?
 - What are the issues to be considered while setting pricing for services ?
 - Explain briefly the promotion mix for services.
 - What is the significance of service location ?
 - Explain briefly the challenges in service delivery.
 - What are the challenges in customer relationship management in insurance sector ?

P.T.O.



SECTION – C

Answer **any three** questions. **Each** question carries **ten** marks. **(3×10=30)**

8. Why consumer experiences are very important in the evaluation process of services ?
9. The fifth P i.e. “People” is more effective in managing the services. Comment.
10. Discuss the strategies to be adopted for managing capacity to match demand.
11. Discuss the importance of marketing mix in services marketing.
12. Explain the strategic decisions in service process planning.

SECTION – D

Case (**Compulsory**) : **(1×15=15)**

13. Restaurants have become an important part of city life and different people go to different restaurants for enjoying different services offered. In the light of this statement, explain as to how does a restaurant market its services ?
-



MB 117 C

**III Semester M.B.A. Examination, July 2013
Elective – C : HUMAN RESOURCE MANAGEMENT
Course – 17 C : Compensation Management**

Time : 3 Hours

Max. Marks : 75

SECTION – A

Answer **any five** questions of all sub questions. **Each** question carries **2** marks. **(5×2=10)**

1. a) Define MBO.
- b) Who are blue collar employees ?
- c) What is fringe benefits ?
- d) What is surplus value in surplus value theory ?
- e) Define salary and wage rate.
- f) Define job evaluation.
- g) What is team based appraisal ?

SECTION – B

Answer **any four** questions. **Each** question carries **5** marks. **(4×5=20)**

2. Briefly explain the steps in performance appraisal.
3. Discuss briefly the emerging trends in performance appraisal system.
4. Explain expectancy theory of motivation.
5. Explain the different methods of conducting job evaluation.
6. What are the wage legislations in India ?
7. Explain briefly the wage payment systems.

SECTION – C

Answer **any three** questions. **Each** question carries **10** marks. **(3×10=30)**

8. Discuss the different methods of appraisal.
9. Examine the different wage theories with their merits and demerits.
10. Critically evaluate the different components of executive compensation plan.
11. Explain the implications of equity theory of motivation.
12. What are cafeteria fringe benefits ? Discuss the challenges of compensation in executive payments.

P.T.O.



SECTION – D

13. Case **compulsory**. **(1×15=15)**

Joe Black was trying to figure out what to do about a problem salary situation he had in his plant. Black recently took over as president of Acme Manufacturing. The founder and former president, Bill George, had been president for 35 years. The company was family owned and located in a small eastern Arkansas town. It had approximately 250 employees and was the largest employer in the community. Black was the member of the family that owned Acme, but he had never worked for the company prior to becoming the president. He had an MBA and a law degree, plus five years of management experience with a large manufacturing organization, where he was senior vice president for human resources before making his move to Acme.

A short time after joining Acme, Black started to notice that there was considerable inequity in the pay structure for salaried employees. A discussion with the human resources director led him to believe that salaried employees pay was very much a matter of individual bargaining with the past president. Hourly paid factory employees were not part of this problem because they were unionized and their wages were set by collective bargaining. An examination of the salaried payroll showed that there were 25 employees, ranging in pay from that of the president to that of the receptionist. A closer examination showed that 14 of the salaried employees were female. Three of these were front-line factory supervisors and one was the human resources director. The other 10 were non management.

This examination also showed that the human resources director appeared to be underpaid, and that the three female supervisors were paid somewhat less than any of the male supervisors. However, there were no similar supervisory jobs in which there were both male and female job incumbents. When asked, the HR director said she thought the female supervisors may have been paid at a lower rate mainly because they were women, and perhaps George, the former president, did not think that women needed as much money because they had working husbands. However, she added she personally thought that they were paid less because they supervised less-skilled employees than did the male supervisors. Black was not sure that this was true.

The company from which Black had moved had a good job evaluation system. Although he was thoroughly familiar with and capable in this compensation tool, Black did not have time to make a job evaluation study at Acme. Therefore, he decided to hire a compensation consultant from a nearby university to help him. Together, they decided that all 25 salaried jobs should be in the same job evaluation cluster, that a modified ranking method of job evaluation should be used, and that the job descriptions recently completed by the HR director were current,



accurate, and usable in the study. The job evaluation showed that the HR director and the three female supervisors were being underpaid relative to comparable male salaried employees.

Black was not sure what to do. He knew that if the underpaid female supervisors took the case to the local EEOC office, the company could be found guilty of sex discrimination and then have to pay considerable back wages. He was afraid that if he gave these women an immediate salary increase large enough to bring them up to where they should be, the male supervisors would be upset and the female supervisors might comprehend the total situation and want back pay. The HR director told Black that the female supervisors had never complained about pay differences.

The HR director agreed to take a sizable salary increase with no back pay, so this part of the problem was solved. Black believed he had for choices relative to the female supervisors :

- 1) To do nothing
- 2) To gradually increase the female supervisors salaries.
- 3) To increase their salaries immediately.
- 4) To call the three supervisors into his office, discuss the situation with them, and jointly decide what to do.

Questions :

- 1) What would you do if you were Black ?
 - 2) How do you think the company got into a situation like this in the first place ?
 - 3) Why would you suggest Black pursue the alternative you suggested ?
-



MB 118 A

III Semester M.B.A. Examination, July 2013

(Elective – A)

FINANCE

Course – 18 A : Management of Infrastructure Financing

Time : 3 Hours

Max. Marks : 75

SECTION – A

1. Answer **any five** the questions. **Each** question carries **2** marks : **(5×2=10)**
- a) What is Mezzanine finance ?
 - b) What are construction risks ?
 - c) What is an escrow account ?
 - d) What do you mean by viability gap funding ?
 - e) What is regulatory tariff ?
 - f) What is a brown field project ?
 - g) Define project audit.

SECTION – B

- Answer **any four** questions. **Each** question carries **5** marks : **(4×5=20)**
- 2. Outline a process chart of a typical infrastructure project.
 - 3. Briefly explain the issues in corporation of PSU's in India.
 - 4. What are the components of technical appraisal of an infrastructure project ?
 - 5. Write a note on BOOT structure of an infrastructural project.
 - 6. What are the key elements of a PPP project ?
 - 7. Write a note on urban infrastructure in India.

P.T.O.



SECTION – C

Answer **any three** questions. **Each** question carries **10** marks : **(3×10=30)**

8. Enumerate the various risks that infrastructural projects face in India. How can they be mitigated ?
9. Explain the various options in PPP model for a power generating project.
10. Discuss the various avenues of debt financing for infrastructure projects in India.
11. Describe the steps in project appraisal process.
12. Summarise empirical evidences on private sector participation in infrastructure in India.

SECTION – D

13. Case study (**Compulsory**) : **(1×15=15)**

Bangalore is one of the fastest growing cities in India with nearly one crore population as per 2011 census. The traffic congestion, environment pollution are making the city an unpleasant place to live. There are many infrastructural problems that need to be addressed swiftly. BWSSB is trying its best to resolve the drinking water crisis but there is much more needed to be done since the jurisdiction of the city has gone beyond 40 Kms radius.

- 1) What do you suggest to address the drinking water crisis in the city ?
 - 2) What type of infrastructural project would you advice to take up the issue ?
 - 3) What could be the potential risks that the project would face ?
-



MB 118 B

Third Semester M.B.A. Examination, July 2013
MANAGEMENT
Elective – B : Marketing
Course – 18B : Sales and Distribution Management

Time : 3 Hours

Max. Marks : 75

SECTION – A

1. Answer **any five** sub-questions. **Each** sub-question carries **2** marks. **(5×2=10)**
- a) What is sales cycle ?
 - b) What is personal selling ?
 - c) What do you understand by sales budget ?
 - d) What is sales territory ?
 - e) What is pre-approach ?
 - f) What is brand talk ?
 - g) Define sales promotion budget.

SECTION – B

- Answer **any four** questions. **Each** question carries **5** marks. **(4×5=20)**
- 2. Explain the role of culture in developing a sound sales organisation.
 - 3. What are the sales related policies pertaining to the product ?
 - 4. What is the difference between a suspect and a prospect ?
 - 5. What is telemarketing ? Explain its features.
 - 6. Explain the importance of sales quotas.
 - 7. Discuss the importance of Herzberg's Two-Factor-Theory.

P.T.O.



SECTION – C

Answer **any three** questions. **Each** question carries **10** marks. **(3×10=30)**

8. Critically evaluate different approaches to personal selling.
9. What is international sales management ? Discuss the different international sales management practices.
10. Explain the importance of sales planning and discuss the causes of unsuccessful sales planning.
11. What is sales forecasting ? Discuss the important sales forecasting methods.
12. What is logistic management ? Discuss recent trends in logistics management.

SECTION – D

13. Case study (**Compulsory**) : **(1×15=15)**

General Motors Corp. (GM), the world's largest automaker, came into existence in 1908. By mid-2005, GM had manufacturing bases in about 32 countries, sold its vehicles in about 200 countries, and employed around 324,000 people around the world⁶⁰. GM's brands included Buick, Cadillac, Chevrolet, GMC, Holden, Hummer, Opel, and Pontiac. GM set records in industry sales in the US for the fourth consecutive year in 2004 for total trucks, pick-up trucks and sports utility vehicles. To improve and streamline its logistics system, GM entered into partnerships and joint ventures with various companies both on a global platform and locally.

The Brazilian subsidiary of General Motors was established in 1925. It was GM's largest subsidiary in South America. As of early 2004, GM Brazil had annual exports of over US\$1 million⁶¹. It exported Completely Knocked Down (CKD) kits to Chile and Colombia, built-up vehicles to GM Uruguay, Single Unit Pack (SUP) like Omega and Blazer to Paraguay, and passenger cars and vehicles to GM Argentina.



In late 1990s, in a bid to introduce the economy range cars in Brazil, GM planned to start an assembly of 100,000 cars on an annual basis. For this purpose, GM needed constant inputs from various suppliers who were physically located about 1200 km away from the manufacturing site. Further, it also wanted to implement 'Just in Time' management, which emphasized the continuous supply of raw materials. This required an efficient logistics mechanism that would minimize the chances of supplier related delays. As Thomas Nationwide Transport Logistics (TNT) was already in a business relationship with GM in North America, Europe, Australia and Asia, TNT was the natural choice for GM Brazil as its third party logistics provider (3PL).

TNT introduced an efficient in-bound logistics system, which also included emergency plans for contingencies. To cut delays in production schedules, WAP⁶² (Wireless Application Protocol) technology was used to monitor the line haul routes from GM plant. Any delay created an alert in the system, which used a track and trace mechanism. In addition, there was an hourly monitoring of the transport movement using the Global Positioning System (GPS). TNT also restructured the transport system to fully utilize the time of the transporters. This logistics system helped GM to avoid any shut down in the three years from 2001 to 2003. As a result of these changes, TNT received the '2002 Supplier of the Year Award' and 'Certificate of Merit' from GM. TNT was elected the 'Best Transportation Company' in Brazil in July 2001 and 'Best Company of the Year' in Brazil's Automotive Sector in November 2001. TNT received the ISO 9002 certification in 2002. In Mexico, the GM subsidiary utilized the services of Penske Logistics (Penske). Penske implemented a logistics system that provided real time updates from every supplier and carrier. This enabled proactive action on the inbound transportation network.

In 2000, GM had around 12,000 suppliers and daily shipments of 180 million 1b of materials; it produced more than 35,000 vehicles on a daily basis. Therefore, GM felt the need to outsource its logistics management and entered into a joint venture with CNF Inc. Instead of utilizing the services of CNF as a third party logistics provider like TNT or Penske, GM set up a separate company called Vector SCM (Supply Chain Management). Vector SCM was a fourth party logistics (4PL) provider that was set up to integrate all 3PL providers into one system.



Under this arrangement, Vector SCM would manage logistics for all GM businesses across the world. The main reason behind this joint venture was to build an order to delivery (OTD) concept that would help in developing a build to order manufacturing machine. In the existing system at GM, once a vehicle was ready for delivery, there was a delay of 13 days due to non-coordination with the transport system. Another hurdle that GM faced was the slow information flow between the various components of the supply chain due to which the OTD concept was not being implemented. Therefore, GM needed a solution that would offer the status of the transit vehicles as well as identification of each vehicle depending on the kind of sales order it was fulfilling. This would enable GM to redirect the vehicle to any contingency requirements.

Vector SCM essentially provided a package of solutions that resulted in giving more visibility to GM on the supply chain angle. This included integrating the back end functions with the front end process, reducing total order cycle time to less than 50%, that is, from 60 days to around 15-20 days. Shipping time was also expected to come down from 13 days to 8 days. This would help speed up deliveries, resulting in better sales for GM. Vector SCM would also bear the logistics costs of GM that amounted to US\$5 billion. Vector SCM was to develop this system globally over a three-year transition phase which would gradually help GM to become a 'Bricks and clicks' organization.

Questions to Discussion :

- 1) Why did GM Brazil choose TNT as its logistics partner ? How did TNT help GM in achieving its objectives of following the just in Time concept ? Explain by bringing out the advantages of logistics systems to GM.
 - 2) Apart from generating a super efficient logistics system to help develop the OTD concept and increase Internet sales, what are the other benefits that GM could have obtained by forming a joint venture with CNF Inc. ? Why did it avoid the traditional contracting arrangement with the logistics firm ?
-



MB 118 C

III Semester M.B.A. Examination, July 2013

MANAGEMENT

**Course – 18 C : Organisational Development and Change Management
Elective – C : Human Resources**

Time : 3 Hours

Max. Marks : 75

SECTION – A

1. Answer **any five** sub-questions. **Each** sub-question carries **two** marks. **(2×5=10)**
- a) What is Organisational Transformation ?
 - b) What is 'Third wave consulting' ?
 - c) What is T-Group Training ?
 - d) What is the goal of process-consultation ?
 - e) State Kurt-Lewin's model of change.
 - f) What are quality circles ?
 - g) What are the similarities between coaching and mentoring ?

SECTION – B

Answer **any four** questions. **Each** question carries **five** marks. **(4×5=20)**

- 2. What is the role of a transformational leader in planned change ?
- 3. Discuss some of the ethical dilemmas in OD practice.
- 4. What are the forces reshaping the changing world of work ?
- 5. Discuss MBO approach in appraising performance.
- 6. Explain ways to overcome employees resistance to change.
- 7. What are the characteristics of high performing teams ?

P.T.O.



SECTION – C

Answer **any three** questions. **Each** question carries **ten** marks. **(3×10=30)**

8. Explain the Diagnostic and Action component in OD process.
9. Explain factors to be considered while initiating change in an organisation.
10. Discuss the emerging areas of application of OD activities.
11. Explain Grid OD as an intervention mechanism.
12. Explain the techniques of creative problem solving.

SECTION – D

13. Case Study (**compulsory**) : **15**

“It all comes from the top”, Microsofters say over and over again, when speaking of Bill Gates and his influence on the organization. “He wants to be Henry Ford, Andrew Carnegie, and the Rockefellers all rolled together”, claims a critic. In a way, Gates deserves to be the arrogant dictator. He’s the one who understood the value of the little program called DOS (Disk Operating System) and licensed it to IBM. Now he’s the second richest man in the United States. He expects his employees to have the same guts, drive and dedication that he does. He creates an excitement that his workers find alluring. “It feels really good to be around really bright people, to be part of the energy, the growth, all that money”, observes Ray Bily, a former microsofter.

Part of the culture – the Microsoft way – is hiring the right people, those who share Microsoft assumptions and values. Gates likes them young; half his employees are now hired right from college and he’d like to increase that to 80 percent. (The original Microsoft staff is now aging into its thirties.) Since the company has recently experienced some serious challenge from the competition, the new twenty-something employees are even more driven, a lot less informal than the oldsters. As the organization grows larger (15,000 employees in all), it gets harder to control exactly what type of people are hired. Karen Fries notes, “We’ve just grown so fast. The real challenge is to find people who have the religion”.

To instil the religion, Microsoft sends new hires such as marketing staff to marketing managers Boot Camp, a three week training camp in The Microsoft Way. One employee who lasted only three months recalls, “It was like camp. You all wear company T-Shirts : go through brainwashing on the way.” Rites and rituals, systems and procedures, even stories and myths are clearly part of the way.



How does Microsoft use its culture to create a sustained competitive advantage ? First, as a leader Gates is never satisfied with being No. 2 in any arena Microsoft enters. He uses small, young, aggressive teams to get jobs done. And he maintains a vision : a computer in every home (with, of course, Microsoft products). Second, Microsoft is not shy about imbuing its employees with strong shared assumptions and values, which strengthen their productivity as individuals and as a whole. Finally, the company responds quickly to change because it values flexibility as an important factor in doing business. Certainly there are obstacles along the Information Highway. But Microsoft is likely to find a way around them, or through them. If not, the company will redefine them.

Questions :

- 1) Do you believe the technique of brainwashing employees is ethically correct ? Discuss.
 - 2) “The Company responds quickly to change because its values are flexible” – Discuss.
-