PAPER - I:

MANAGEMENT CONTROL SYSTEM

MARKS: 20

(Descriptive Type Questions)

Each question carries 12 Marks (Marks: $5 \times 12 = 60$)

1. (a) Explain about the concept of responsibility centres.

Or

- (b) Management control begins with planning. Do you agree? Give your views.
- (a) Give a control structure of expense centres.

Or

- (b) Give a control structure of profit centres.
- 3. (a) What is the use of budgeting under control process?

Or

- (b) How do you analyze and report the whole control process system? Explain.
- 4. (a) Explain the role of management control in MNCs.

Or

(b) Discuss the management control system for Non-Profit organizations.

5. (a) "Management control system plays a crucial role in success of business". Discuss the statement with examples.

Or

(b) Explain the characteristics of management control system.

PART - B

(Case Analysis)

(Marks: 20)

6. A lack of goal congruence can be seen in several ways, such as when a clinical care department, in pursuit of a satisfactory surplus, avoids treating low-income or poorly insured patients, when one element of the hospital's mission is to treat those patients. More concretely, consider the situation shown in Exhibit 1. In this example, the pediatrics department bills a third-party payer \$11 for a test that is required in conjunction with a diagnostic workup. The \$11 covers the time spent by nurses assisting the patient, the processing of paperwork by the administrative staff, the supplies needed for the test, and the time spent by a physician reporting the results to the patient, plus the cost of the lab work.

Exhibit 1. A Collision of Fairness and Goal Congruence

		Pediatrics Department	Pathology Lab	Hospital Overall
Option 1	Tests done by Pathology Lab			
	Revenue	\$ 11.00	\$ 6.00	\$ 11.00
	Variable cost	6.00	2.00	2.00
	Contribution to fixed costs	\$ 5.00	\$ 4.00	\$ 9.00
Option 2	- Tests done by Outside Laboratory			
	Revenue	\$ 11.00	\$ 0.00	\$ 11.00
	Variable cost	4.50	0.00	4.50
	Contribution to fixed costs	\$ 6.50	\$ 0.00	\$ 6.50
				1 1

In an effort to improve fairness, the hospital has allowed its clinical care chiefs to purchase this and other basic lab work from freestanding facilities. Here, the chief of pediatrics reduced the cost of lab work from \$6.00 (the pathology lab's transfer price) to \$4.50 (the outside lab's charge). However, because the variable cost of the test in the pathology lab (\$2.00) is below the charge of the outside laboratory, the cost to the hospital is higher than if the test were conducted in house. Thus, the overall contribution to the hospital's fixed costs falls from \$9.00 to \$6.50. The result is a violation of the goal congruence criterion: what is good for the pediatrics department is not good for the hospital. There is no easy solution to this problem. If the hospital requires pediatrics to purchase tests from the inhouse lab, it will have reduced the chief's ability to control the

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PAPER - II:

STRATEGIC MANAGEMENT

MARKS: 20

(Marks: $5 \times 12 = 60$)

1. (a) What is the process involved in Strategic Management?

 \mathbf{Or}

- (b) Explain the need for environment analysis on Strategic Management.
- 2. (a) Discuss the role of leadership in Strategy implementation.

 \mathbf{Or}

- (b) Suggest measures to strengthen the inner structure of leaders.
- 3. (a) What is the role of technology in Strategic Management?

 \mathbf{Or}

- (b) Explain about acquisition and absorption of technology.
- 4. (a) What is the importance of social responsibility in Strategic Management?

 \mathbf{Or}

- (b) What is the use of Social Audit in Strategic Management? Explain.
- 5. (a) What measures at the enterprise level are essential for successful absorption of technology in India? Explain.

 \mathbf{Or}

(b) Discuss the factors that contribute to the growing concern of business towards corporate social responsibility.

Case Analysis

(Marks: 20)

Changing tastes and preferences of customers, upward mobility, rising disposable income, availability of a variety of products and services, lifting of the quantitative restrictions on imports, and increasing exposure to international standards have led to a retail revolution in India. The Mumbai based Akbarallys is conscious of these developments. A Pioner of the concept of shopping under one roof. Akbarally Ebrahimji set up a 300 sq ft drug store in 1897 that today has metamorphosed into a sprawlingretail chain. There are five department stores at different locations in Mumbai generating sale of more than Rs. 50 crore. The 32 counters stock more than 20,000 products ranging from electronic goods to garments. The strong points of the ratail chain are the range of products offered and convenient locations that are over-shadowed by its cramped and shoddy interiors and poor service. But recent make over in decor and managerial actions at enhancing employee skills and merchandising offer scope for improving the profitability. Focus is on stocking products like garments that have a higher margins as compared to food and drugs that do not. Competition is imminent from local retail brands and international chains contemplating entry into India. A strategic option is to go in for franchisee arrangements in major metropolitan cities. The aim is to establish a mall as an anchor store surrounded by well-known retailers. Another project is to set up the Akbarally institute of retailing affiliated to the University of Bombay. The business is managed wholly by the three Khorakiwala brothers and their children. The second-generation family members are professionally trained in management. The senior positions are manned by professionals. Besides retailing, the family is also into furniture centres in Mumbai. Its other business that is better known is Wockhardt, a leading pharmaceutical company. The challenge before the family business is keep changing itself to remain on the top.

Questions:

Analyse the retailing operation of Akbarally from the view point of strategic management. Do you feel that the organisation is geared to face new challenges? What needs to be done additionally to secure continued success?

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PAPER - III:

INTERNATIONAL BUSINESS MANAGEMENT

MARKS: 20

PART - A

Descriptive Type Questions. Each question carries 12 marks.

 $(Marks: 5 \times 12 = 60)$

1. (a) Write any one of the theories of International Trade.

Or

- (b) Discuss the need and importance of International Business.
- 2. (a) Discuss the step involved in strategic planning in MNEs.

Or

- (b) Discuss the functioning of MNEs.
- 3. (a) How do you evaluate international business? Explain.

 \mathbf{Or}

- (b) Suggest measures to improve multinational corporate culture in Host countries.
- 4. (a) Discuss the HRM practices of MNCs.

 \mathbf{Or}

- (b) Discuss the process of Negotiations in International Business.
- 5. (a) Explain the significance of WTO in International Business.

Or

(b) How are multilateral negotiations arrived at in international business? Explain.

Case analysis

(Marks: 20)

6. PepsiCo has been able to add new businesses and products by its strategy of diversification, allowing it to respond to changing consumer needs with a wide portfolio of products. In particular, it has added bottled water, snack foods (through the acquisition of Frito-Lay and Quaker Oats), juices (through the acquisition of Tropicana), and the sports drink Gatorade (as part of the Quaker Oats portfolio). These products reduce its dependence on traditional carbonated drinks. They also diversify the range of products for health-conscious consumers. By comparison, Coke has remained more dependent on its flagship carbonated drink, Coke. Although it has expanded into more markets internationally than PepsiCo, it has been slow to diversify into healthier products.

Question:

How has PepsiCo's diversification strategy proved to be advantageous in comparison to the strategy of Coca-Cola?

ELECTIVE PAPER:

HUMAN RESOURCE DEVELOPMENT

MARKS: 20

PART - A

(Descriptive Type Questions)

Each question carries 12 Marks

(Marks: $5 \times 12 = 60$)

1. (a) What is the significance of Human Resource Development?

O

- (b) Explain the evolution of Human Resource Management.
- 2. (a) Explain the motivational aspects of HRD.

 \mathbf{Or}

- (b) Give detailed a note on counseling and mentoring.
- 3. (a) Give an account of International experiences in HRD.

Or

- (b) Discuss the role of HRD professionals in the present day environment.
- 4. (a) Explain the importance of HRD in health sector.

Or

(b) Review the HRD programmes in voluntary organizations.

5. (a) Describe the various approaches of HRD.

 \mathbf{Or}

(b) Explain the process of HRD for workers.

PART - B (20 marks)

Case Analysis.

Mr. Maruti after obtaining his B.Sc. degree did a few odd jobs for two years and then completed his MBA degree from S.K. University in 2004. He went to Bangalore and began his career in computer industry as a software professional for a salary of Rs. 12,000 per month. Then he did his post-graduate diploma in Computer Applications for one year and progressed to Systems Analyst and then Senior Manager of the electronic data processing department of a company. After four years, Mr. Maruti did his MCA degree from Bangalore University and became the Vice-President of Satyam Computers. At the age of 36, his 12 years climb up the executive ladder culminated in his being selected as CEO of the Rs. 2000 crore company where he was responsible for making strategic decisions. His annual salary grew up to Rs. One crore.

Mr. Maruti gets so far so fast due to software industry boom, successful at whatever he undertook and his continuous upgradation of his skills and educational qualifications. He was a major force in developing software wherever he worked. His reputation for being highly organized is well known in the industry. He regularly handles telephone calls, e-mails and reads a number of corporate up-dates and reports. Colleagues openly discuss about his ability to identify problems in a project and after solid solutions.

Mr. Maruti proudly admits that his professor at S.K. University helped him a lot in the form of counseling and mentoring, which magnified his brightness and competency.

Questions:

- (a) How did Mr. Maruti's continuous development of his human resources and his progress up the senior executive ladder?
- (b) What advice would you offer an aspiring manager about climbing the corporate ladder?

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ELECTIVE PAPER:

UNION MANAGEMENT RELATIONS

MARKS: 20

PART - A

Descriptive Type Questions.

Each question carries 12 marks.

 $(Marks: 5 \times 12 = 60) -$

1. (a) Give a perspective of Union Management relations in Indian Industry.

O

- (b) Describe the major national and international events of union management.
- 2. (a) Give the structure of Indian trade unions.

 \mathbf{Or}

- (b) Explain the leadership issues among trade unions.
- 3. (a) What is the role of labour administration conciliation? Explain,

 \mathbf{Or}

- (b) Explain the dynamics of conflict collaboration.
- 4. (a) What is the process of Workers Participation in Management?

Or

(b) What are the functions of Joint Management Councils?

5. (a) Discuss the cross-cultural aspects of union management relations.

Or

(b) What are the various models of works participation in management?

PART - B

Case Analysis

(Marks: 20)

6. M/S XYZ limited is private company making tyres with their HQ at Cochin. Labor management relations were cordial. They have three years wage agreement renewed periodically without any strike or lockout for the last ten years. There were three main Unions ENTUC, AITUC and CITU owing allegiance to respective political parties.

Current wages agreement is likely to expire shortly. Mr. Joseph, Director, HR was holding negotiations with union leaders for the last three months. During this period, he sorted out differences on all seven out of 8 points. The 8th point was in regard to the wages increase. Union originally demanded a wage raise of 30% whereas the management was prepared to go only for 15%. After a series of discussion, Union leaders agreed to come down to 25% and the management has agreed to increase to 17%. The stalemate continued for the next 20 days. Finally the management has accepted 18% increase. Union leaders did not agree and called for a strike.

Even after one week strike, the management did nothing. The Union gave a public advertisement stating its side and the management has also given an advertisement that the strike is unwarranted and they have no other alternative except to go for a lockout.

It also stated that their offer of present agreement will remain valid only for the next three days.

Questions:

- (a) Explain the Unions rationale of the latest demand.
- (b) Explain the reasons for management action.
- (c) Predict the outcome, of this dispute.
- (d) Suggest additional gestures from management or union to break the statement.

ELECTIVE PAPER: CAPITAL INVESTMENT AND FINANCING DECISIONS

MARKS: 20

(Descriptive Type Questions)

Each question carries 12 marks.

(Marks: $5 \times 12 = 60$)

1. (a) Describe the various sources of finance in detail.

Or

- (b) Critically analyze the various types of long-term investment decisions.
- 2. (a) Explain how financing is done through capital market.

Or

- (b) Explain various new modes of financing.
- 3. (a) What is capital structure? Explain the planning of it.

 \mathbf{Or}

- (b) Aishwarya Ltd., has a share capital of Rs. 1,00,000 divided into shares of Rs. 10 each. It has major expansion programme requiring an investment of another Rs. 50,000. The management is considering the following alternatives for raising this amount:
 - (i) Issue of 5,000 equity shares of Rs. 10 each.
 - (ii) Issue of 5,000 12% preference shares of Rs. 10 each.
 - (iii) Issue of 10% debentures of Rs. 50,000.

The company's present Earnings Before Interest and Tax (EBIT) is Rs. 40,000 per annum. You are required to calculate the effect of each of the above modes on financing of the earnings per share presuming:

- (1) EBIT continues to be the same even after expansion.
- (2) EBIT increases by Rs. 10,000.

(a) What is Dividend Policy? Discuss its types and significance.

Or

- (b) Define Cost of Capital. State how would you determine the Weighted Average Cost of Capital.
- 5. (a) What is Walter's model? Discuss its formula for determining the value of a share.

Or

(b) Determine the EPS of a textile company which has EBIT of Rs. 1,60,000. Its capital structure consists of the following securities:

 Particulars
 Amount (Rs.)

 10% Debentures
 5,00,000

 12% Preference Shares
 1,00,000

 Equity Shares (Rs. 100 each)
 4,00,000

The company is in the 35% tax bracket.

(i) Determine the firm's EPS.

4.

(ii) Determine the percentage change in EPS associated with 30% increase and 30% decrease in EBIT.

PART - B

(Case Analysis)

(Marks: 20)

- 6. Pavani Ltd., sells goods at a uniform rate of gross profit of 20% sales including depreciated as part of cost of production. Its annual figures are as under:
 - (a) Sales (at 2 months credit) Rs. 24,00,000.
 - (b) Material consumed (suppliers credit 2 months) is Rs. 6,00,000.
 - (c) Wages (Paid monthly at the beginning of the subsequent month) Rs. 4,80,000.
 - (d) Cash manufacturing expenses (paid one month in arrear) Rs. 6,00,000.
 - (e) Cash administrative expenses (paid one month in arrear) Rs. 1,50,000.
 - (f) Sales promotion expenses (paid quarterly in advance) Rs. 75,000.

The company keeps one month stock each of raw materials and finished goods. A minimum cash balance of Rs. 80,000 is always kept. The company wants to adopt at 10% safety margin in the maintenance of working capital. Prepare working capital requirement.

ELECTIVE PAPER: INTERNATIONAL FINANCIAL MANAGENT

MARKS: 20

PART - A

(Descriptive Type Questions). Each question carries 12 marks.

(Marks: $5 \times 12 = 60$)

1. (a) Describe the issues involved in International Economics.

 \mathbf{Or}

- (b) State the structure of International Financial system.
- 2. (a) What are the various functions of Foreign Exchange Markets?

Or

- (b) Briefly explain about determination of foreign exchanges Rates.
- 3. (a) Enumerate the techniques of international cash management.

Ur

- (b) Write about control of Foreign Exchange Markets in India.
- 4. (a) What is IBRD? State its functions.

 \mathbf{Or}

- (b) Discuss about various dimensions in International Cash Management.
- 5. (a) Discuss various international investment strategies.

 \mathbf{Or}

(b) Write in detail about management of foreign exchange risks.

Case Analysis

(Marks: 20)

An Indian importer has to pay \$1 million for his imports in a month's time. He decides to 6. cover his risk on the forward market. The rates are as follow:

Rs.35.10001/\$

1-month forward rate: Rs. 35.5005/\$

What should Indian importer do if he/she knows with a high probability that, in 1-month dollar will settle at Rs. 35.25/\$?

ELECTIVE PAPER:

SALES MANAGEMENT BASIC FUNCTIONS

MARKS: 20

(Descriptive Type Questions)

Each question carries 12 marks.

(Marks: $5 \times 12 = 60$)

1. (a) Explain the need for computer applications in sales management.

Or

- (b) How sales process is executed? Explain in detail.
- 2. (a) What are different kinds of skills required to effect sales?

Or

- (b) How retail communication helps in selling skills? Explain in detail.
- 3. (a) How do you motivate and compensate the sales force? Explain.

 \mathbf{Or}

- (b) Write a note on performance appraisal of salesmen.
- 4. (a) What are the methods of sales forecasting?

 \mathbf{Or}

- (b) What are the purposes of various sales organization?
- 5. (a) Write a note on recruitment and selection of salesmen.

 \mathbf{Or}

(b) Explain the process of training the sales force.

(Case Analysis)

(Marks: 20)

6. Healthy living company is a pharmaceutical company. They have a team of dedicated medical representatives. All of them aspire to become sales supervisors, managers, and officers. There are many instances of salesmen-started business growing into big companies e.g., Nirma, where the owner-salesman one day comes to head the firm as its chief executive.

It is, however, observed that all sales people cannot become successful managers. A brilliant reporter may not become a good editor. The point is that the skill required for both the jobs are essentially different.

Healthy living knows that a sales manager today faces complex responsibilities. He has to be a good team leader. A salesman operates on his own. It is not possible to transform oneself into a team leader all of a sudden. A sales manager has administrative and office duties. A salesman is in the field.

Many salesmen may not like to swap the challenge of selling task for an administrative post. There are others who would love to accept the challenge of a new job.

Healthy living wants to decide how to assess those who would not object to the shifts in attitude and habits required to be a successful manager.

Question:

Advise this company how it can identify the sales manager amongst its own sales force.

ELECTIVE PAPER:

INTERNATIONAL MARKETING

MARKS: 20

PART - A

(Descriptive Type Questions)

Each question carries 12 marks.

(Marks: $5 \times 12 = 60$)

1. (a) Explain the factors influencing the size of international markets.

Or

- (b) Give the institutional framework of international market.
- 2. (a) Write the features of legal and political environment that influence international business.

 \mathbf{Or}

- (b) Describe the influence of monetary factors on international marketing.
- 3. (a) Enumerate the documents required for exporting.

Or

- (b) Review the export-import policy of India.
- 4. (a) How is the price in international market fixed? Explain.

 \mathbf{Or}

- (b) What are the considerations for product development to international market?
- 5. (a) Describe the factors influencing market selection in international market.

Or

(b) State the significance of international market Research.

(Case Analysis)

(Marks: 20)

The move toward a free market economy has opened new opportunities for entrepreneurs in Russia. One such entrepreneur is 23-year-old Jake Weinstocks. After graduating from the University of Pennsylvania, Jake worked as a business consultant for Ernst & Young and moonlighted as marketing manager for Dynamo, the Red Army hockey team that is now a farm team for the Pittsburgh Penguins professional hockey team. Despite being very busy, Jake wanted to start his own business in sports or fitness.

He first developed a partnership with fellow American Paul Kuebler and Russian Vladimir Grumlik. The partners spent the winter of 1995 studying the successes and failures of new businesses in Moscow. This work generated the idea of starting a westernstyle health club. The concept was to bring a new level of service and management to health clubs in Moscow.

Because there is a limited middle class in Russia, the target market for the health club was determined to be people who had money to spend now. This included about 100,000 expatriates and 400,000 rich Muscovites, based on the best available information. The partners calculated they would need 1,000 members paying \$1,500—\$2,500 annually to break even and 3,000 to generate the profits needed to attract Western capital. Limited availability of capital in Russia led them to seek capital from American firms, such as Commonwealth Property Investors.

Once the capital was obtained, getting the needed fitness equipment to Moscow was addressed. The partners ordered 24 shipments of very expensive, high-tech Cybex fitness equipment and a basketball court supplied by Nike. Since the government levies heavy storage fees for each day that imported goods are not released, it was important to get the equipment through customs as soon as possible. Vladimir Grumlik used his personal connections to facilitate the customs process. Relationships and alliances with other important people were also necessary to get the business established.

Gold's Gym opened in Moscow in February 1997. The gym balances Russian and American culture. The staff is entirely Russian, but they have all been trained to deliver high levels of Western service. Other clubs in Russia had the mentality "that they're doing you a favor by letting you use their club." Gold's Gym is much more customer oriented. The partners hope the mix of the best equipment and the best service will lead to success.

Questions:

- (a) What aspects of the marketing environment in Russia made it difficult to open Gold's Gym?
- (b) What is the basic marketing strategy of Gold's Gym?
- (c) In what ways is a relationship perspective important to the success of Gold's Gym?
- (d) What future marketing environment trends do you think represent opportunities or threats to the success of Gold's Gym?

ELECTIVE PAPER:

MARKETING RESEARCH

MARKS: 20

PART - A

(Descriptive Type Questions)

Each question carries 12 marks.

(Marks: $5 \times 12 = 60$)

1. (a) Explain the scope and importance of Market Research.

O

- (b) Bring out the profile of Marketing Research in India.
- 2. (a) Explain various methods of collection of Primary Data.

 \mathbf{Or}

- (b) Briefly explain about various methods of Sampling.
- 3. (a) Explain the features of Qualitative Research.

Or

- (b) Give the description and inference of sample data.
- 4. (a) What are the different methods of Tabulation of Data?

 \mathbf{Or}

- (b) "Research without a good report is like body without soul" Justify the statement.
- 5. (a) Explain Regression Analysis in detail.

Or

(b) What are the applications of market research in present scenario?

(Case Analysis)

(Marks: 20)

Self Help Group (SHG) is a self managed and regulated, community based organisation formed by the rural women. Group formation and its' successful functioning involves various management skills and abilities like any other institutions or organisations. Organisational discipline and systems related concepts such as members' qualification, their background, group meetings; attendance, recording minutes, transactions and decision making are required for the stability of the SHG.

Members rotate the group corpus and learn funds management, acquire repayment culture and accept responsibility for the decisions; they start and manage income generating activities with entrepreneurial, planning, organisational. communication and marketing related skills and abilities. Banks, NGOs, NBFCs and Microfinance Institutions provide loans for SHG members directly/indirectly to empower them and to provide capital for sustainable income generation activities and thereby facilitate rural development.

Though the loans are sanctioned and distributed after proper rating and assessment of the SHGs, timely and 100% repayment of loans is very hard to achieve. Particularly, in Vellore district, various institutions face the problem and due to the bad experience, many of them started placing reasons and reject the Micro financing proposals from SHGs. This causes an increase in the PAR (Portfolio at Risk) of the organization which lends the money to the SHG and delay in repayment affects the firm's credit worthiness in the sight of its lenders and affects the firm's repayment (generally banks and other funding agencies fund NGOs of MFIs who in turn lend to the SHGs).

As far as internal lending within the SHG is concerned, it results in conflicts within members of the group and results in dissolution of the groups. Proper repayment is the key, as continuous rotation of funds brings about more development. Thus, the state governments understood the importance of repayments by the SHGs. The banks and Micro finance institutions are keen to know the causes for the lack of timely repayment and defaulters of SHG loans and identify solutions and strategies to rectify the problem.

If you are the researcher, appointed by the Banks and Micro Finance Institutions, what are your proposed research objectives? Briefly discuss about the research design you would prefer? What are the information you require from the Banks and MF Institutions? How will you prepare your questionnaire / interview schedules with various scaling methods you have studied? Prepare a specimen questionnaire for this research.