(DBUS21 (NR))

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## M.B.A.DEGREE EXAMINATION, DEC-2016

### (SecondYear)

### FINANCIAL MANAGEMENT

Time : 3 Hours

#### Maximum Marks: 70

#### SECTION-A

(3x5 = 15)

### Answer anythree of the following

- *Q1)* a) Role of finance manager.
  - b) Financial leverage.
  - c) Determinants of capital structure.
  - d) Need for working capital.
  - e) ABC analysis.
  - f) Objectives of financial management.

#### SECTION-B

 $(3 \times 15 = 45)$ 

#### Answer any three of the following

- **Q2)** Write a note on break even analysis.
- Q3) Explain any one of the dividend theories.
- Q4) Explain the types of capital budgeting process.
- Q5) Elucidate the calculation of weighted average cost of capital.
- **Q6)** What are the sources of raising long term finance?
- Q7) Explain the inventory management techniques (EOQ and ABC).

## <u>SECTION-C</u> (10) Compulsory

#### **Q8)** Case Study:

Calculate operating leverage and financial leverage under situation I and II and financial plan A and B respectively from the following information relating to operating and capital structure of a company. What are the combinations of operating and financial leverage which gives the highest and least value?

Installed capacity is 2000 unit

Annual production and sale 50% of installed capacity,

Variable cost Rs. 10% unit

Selling price per unit Rs. 20

Fixed cost : Situation I Rs. 4,000, Situation II Rs. 5,000.

	Financial Plan					
Capital Structure	↓ A	↓ B				
i) Equity	<b>Rs</b> . 5,000	Rs. 15,000				
ii) Debt (cost @ 10%)	Rs. 15,000	Rs. 5,000				
	<b>Rs</b> . 20,000	Rs. 20,000				

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Questions : 8] [Total No. of Pages : 02 M.B.A. DEGREE EXAMINATION, DEC - 2016

### (Second Year)

#### **OPERATIONS MANAGEMENT**

Time : 3 Hours

#### Maximum Marks: 70

(DBUS22)

#### SECTION-A

 $(3 \times 5 = 15)$ 

#### Answer any three of the following

- **Q1)** a) Define operations management and explain its need.
  - b) Standardisation.
  - c) Mass production.
  - d) Codification.
  - e) Facilities location.
  - f) Quality assurance.

#### SECTION-B

 $(3 \times 15 = 45)$ 

#### Answer any three of the following

- Q2) What are the advantages and disadvantages of operations management?
- **Q3)** Explain the process of product selection.
- Q4) Explain the techniques used for waste management.
- Q5) Write a note on the nature and significance of value engineering.
- Q6) Explain the process of planning and control of projects.
- **Q7)** Explain different kinds of production systems.

## <u>SECTION-C</u> (Compulsory)

#### **Q8)** Case Study:

A battery whole sale company purchases for Rs. 140 per unit and its costs Rs. 110 to process an order. The company sells about 12,000 units of a particular type of battery. Per year at a uniform rate.

The company is open 5 days a week, for 52 weeks a year. The order lead time is 3 days and the company wants to have an average of 2 days sales on hand as safety stock when a new order is scheduled to arrive. The holding cost is estimated to be 24 percent of the item cost per year. Determine

a) EOQ.

- b) Suspected level of the maximum inventory.
- c) Record level.
- d) Average inventory level.



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## (Second Year)

### MARKETING MANAGEMENT

**Time : 3 Hours** 

### Maximum Marks: 70

## SECTION-A

 $(3 \times 5 = 15)$ 

### Answer any three of the following

- *Q1)* a) Marketing mix.
  - b) Concepts of marketing.
  - c) Skimming and penetration pricing.
  - d) Implications for marketing manager.
  - e) Importance of pricing strategies.
  - f) Role of marketing in service sector.

#### <u>SECTION-B</u>

 $(3 \times 15 = 45)$ 

#### Answer any three of the following

- Q2) Explain the demographic, economic and cultural factors influencing marketing.
- Q3) State the significance of marketing in India.
- Q4) Examine the stages of PLC.
- Q5) What are the factors influencing pricing strategies and policies?
- Q6) What are the objectives of advertising and explain its advantages?

Q7) Explain the functions and types of channel flows.

## <u>SECTION-C</u> (10) Compulsory

#### *Q8*) Case Study:

The equation among soft drink competitors was almost balanced. Coke competed against Pepsi, Tab against Diet Pepsi, Sprite against Mountain Dew, and so on. But when Coca-Cola introduced Diet Coke in 1982, its aspirations were high. It aimed at not being content with just outselling Diet Pepsi; the company wanted Diet Coke to be the number two soft drink of any kind. The company executives, by 1989, were predicting that their dream would soon come true.

In its ads, Coca-Cola did not invite people to drink Diet Coke for the benefit of losing weight or keep a slim-trim figure. Coca-Cola told people to drink it "Just for the taste of it". The emphasis on taste by Coca-Cola was particularly effective because Diet Coke was a new entry in the market rather than a reformulation. Diet Pepsi has been in the market for decades and has undergone a number of reformulations. If Diet Pepsi had launched a taste based compaign, sceptical viewers might have responded, "that's not what you said last year".

The taste plank also provided the groundwork for Diet Coke's assault on Pepsi. As Diet Coke was being promoted and sold on taste and not on its lack of calories, it made sense for it to compete against every other drink that consumers bought primarily for taste.

Diet Coke quickly overtook Diet Pepsi and was favoured over Pepsi by women consumers who traditionally bought the majority of diet drinks. The major thrust of the Diet Coke ad campaign has been to convince consumers that they don't have to be weight conscious to drink Diet Coke. Already, men buy more than a third of all diet drinks, and that percentage has been growing rapidly. Coca-Cola has recruited macho heroes and it has been advertising Diet Coke in sports magazines especially aimed at men such as *Sports Illustrated, Sport, and Inside Sport*.

Coca-Cola's attack on Pepsi has often been direct and aggressive. It ran ads claiming that one-quarter of the 2 million families that had stopped drinking Pepsi had switched to Diet Coke. Pepsi responded with ads claiming that 90 per cent of those consumers eventually switched back to Pepsi and Coke ended up revising its ads. Pepsi also used its commercials to make fun of how Coke came up with its numbers.

Diet Pepsi issued its own taste challenge in 1989, using Mike Tyson to claim that Diet Pepsi's taste was better than Diet Coke's. Coca-Cola counterattacked by citing research that proved Pepsi wrong and Pepsi eventually stopped running the ads. To make up for damage done to its image, Coke used some imaginative promotions such as giving a coupon for Diet Coke to everyone buying Pepsi at certain supermarkets. Again, Coke seems to have gained by defining the battle as Diet Coke against Pepsi, rather than Diet Coke against Diet Pepsi. Coca-Cola promoted Diet Coke heavily, so much so that during some quarters it spent more on Diet Coke advertising than on its flagship Coke Classic. It has used innovative techniques such as "roadblocks", running the same commercial at the same time on different channels. It has also shown Diet Coke spots on cable TV such as MTV, ESPN and TBS.

QUESTIONS:

- a) What role has advertising played in introducing Diet Coke?
- b) Why did Coke offer coupons to consumers who bought Pepsi at certain supermarkets?
- c) What functions did Diet Coke's advertising campaign aim at performing? Based on Lavidge and Steiner model, analyse how consumers responded to Diet Coke's ads.



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Questions : 8] [Total No. of Pages : 02 M.B.A. DEGREE EXAMINATION, DEC - 2016

## (Second Year)

### HUMAN RESOURCE MANAGEMENT

**Time : 3 Hours** 

#### Maximum Marks: 70

### <u>SECTION-A</u>

 $(3 \times 5 = 15)$ 

### Answer any 3 of the following

- *Q1)* a) Features of HRM.
  - b) Internal sources of recruitment.
  - c) Induction.
  - d) Objectives of performance appraisal.
  - e) Morale.
  - f) Essentials of a sound wage plan.

#### SECTION-B

 $(3 \times 15 = 45)$ 

#### Answer any 3 of the following

- **Q2)** What are the sources of external recruitment?
- Q3) What are the types of on the job and off the job training methods?
- Q4) Explain steps in selection process.
- **Q5)** Explain Maslow's need hierarchy theory of motivation.
- Q6) Explain the modern methods of performance appraisal.

**Q7)** Briefly write about HRD practices in Indian Industry.

## <u>SECTION-C</u> (10) (Compulsory)

*Q8*) Case Study:

Ajay is an employee whose performance was more than satisfactory for over two years this work assignments were completed on time and accurately done. However, for the last three months, Ajay's work has been consistently late and incomplete. His work also contained an increasing number of mistakes. He does not seem to be concentrating on his work very well, and often gives vague and incomplete answers when his manager needs information from him.

Ajay's performance problems started about the time a new computer system was introduced in the company. His manager has provided regular feed-back and counselling to Ajay on the problems with his assignments. During one of the counselling sessions, Ajay mentioned problem using then new software. Ajay and his manager jointly agreed that he should take advantage of the two-day training session offered. After the training session, the trainer informed the manager that Ajay barely participated in the training session and that he acted very nonchalant during the entire two days.

Ajay's performance is still not improving. He has a backlog of work, which means his assignments are often late and is impacting the work of others. The manager has asked other employees to step in and help to complete the backlog. In addition the manager is spending a lot of time reviewing his submissions and has found three serious errors in the pass two weeks. The manager is now seriously thinking of counselling Ajay in the next three to four weeks time.

Questions:

- a) Is Ajay's performance an example of poor or marginal performance?
- b) Does this situation meet the criteria for counselling?
- c) Are three or four weeks an appropriate amount of time to unit if the managerdecides to counsel Ajay?



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## **M.B.A. DEGREE EXAMINATION, DEC - 2016**

## (Second Year)

## RESEARCH METHODOLOGY FOR MANAGEMENT DECISIONS Time : 3 Hours Maximum Marks : 70

### <u>SECTION-A</u>

 $(3 \times 5 = 15)$ 

Answer any THREE of the following

- **Q1)** a) Research hypotheses and research questions.
  - b) Determination of sample size.
  - c) Sources of secondary data.
  - d) Frequency distribution.
  - e) Sign test.
  - f) Scatter diagram.

#### SECTION-B

 $(3 \times 15 = 45)$ 

#### Answer any THREE of the following

- **Q2)** Discuss the process of defining the problem. Explain how the researcher can control the extraneous variables.
- **Q3)** Explain various methods of sampling and their relative merits and demerits. Describe the methods of collecting primary data.
- **Q4)** Describe the primary scales of measurement. Distinguish between continuous and itemized rating scales and explain Likert's and Guttman's scales with suitable examples.
- **Q5)** Discuss data analysis associated with frequencies including measures of central tendency, measures of dispersion and measures of shape.

- **Q6)** Describe the concept of factor analysis and explain how it is different from analysis of variance and discriminant analysis.
- **Q7)** Discuss the basic requirements of report preparation.

## <u>SECTION-C</u> (10) <u>Compulsory</u>

**Q8)** The following data relate to performance of 8 salesmen:

Salesmen	:	1	2	3	4	5	6	7	8
Sales performance (Rs.'000)	:	60	70	90	90	70	80	60	120
Test Score	:	45	80	70	85	60	55	75	90
Effort index	:	0.9	0.3	1.2	0.5	0.4	1.6	0.1	2.0

Fit a multiple regression of sales performance on test score and effort index. Interpret the coefficients.



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## M.B.A. DEGREE EXAMINATION, DEC - 2016

## (Second Year)

#### **BUSINESS POLICY AND STRATEGIC MANAGEMENT**

**Time : 3 Hours** 

#### Maximum Marks: 70

<u>SECTION- A</u>

 $(3 \times 5 = 15)$ 

#### Answer any 3 of the following

- **Q1)** a) Meaning of strategy and its features.
  - b) Role of top management.
  - c) SWOT.
  - d) Display matrices.
  - e) Types of mergers.
  - f) Turn around management.

#### <u>SECTION-B</u>

 $(3 \times 15 = 45)$ 

#### Answer any 3 of the following

- *Q2)* Explain the 7-s framework.
- **Q3)** Explain the role and functions of board of directors.
- Q4) State the tools used in internal corporate analysis.
- **Q5)** Explain the process of implementation of strategy.
- *Q6*) Write a note on operating and financial analysis.

Q7) Write about corporate policy and planning in India.

## <u>SECTION–C</u> <u>Compulsory</u>

#### *Q8*) Case Study:

G.D. Searle & Co. is a research-based health care company which develops, manufactures and markets throughout the world prescription and consumer pharmaceuticals, prescription optical products, and speciality gases. Over the period 1977-1983, Searle was known to have divested more than thirty-five businesses with sales in excess of \$ 400 million. The senior management at Searle treated divestment like any other resource allocation decision. These decisions were not made in a vaccum but against a backdrop of the company's strategic and financial objectives. Indeed, one of the benefits of the disciplined divestiture analysis programme at Searle is said to have been the refinement of corporate goals and objectives.

At Searle divestment analysis has been a regular part of the annual strategic planning cycle, not an *ad hoc* activity resorted to only when some business was found to be in trouble. Even healthy units were subjected to the same scrutiny. Managers were more accustomed to participating in divestment analysis and the process could be conducted with much less anxiety and greater objectivity. Through anticipatory planning and implementation of divestment decisions, the company succeeded in determining which among its various businesses would contribute to its financial and strategic goals. The company's divestment philosophy was not only accepted by management in the internal strategic process, but also stated in published corporate documents. In the Annual Report for 1979, it was stated, "We regularly evaluate businesses to assess their contribution to Searle's financial strength and strategic goals. When the prospect for positive contribution appears limited, divestiture is considered." The basic approach was stated to be that of flexibility. As stated in one of its Annual Reports, "The attainment of bottomline goals in a rapidly changing world requires flexible strategies and the courage to change course or withdraw from an existing activity which no longer offers opportunities consistent with growth and profit".

The logic behind the open and flexible approach to policy was that divestment analysis conducted in a clandestine manner always proved to be more rumatic. On the other hand, as a regular part of the annual corporate strategic analysis, the company demonstrated its willingness to recognise that no institution can do everything well, which may be characterised as a sort of corporate huminity', thus recognising that the company should concentrate on activities which it can do well.

Questions:

- a) What issues are involved in the above case?
- b) What type of strategy is advised to G.D. Searle & Co.?
- c) What are the Pros and Cons of your advised strategy?



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## M.B.A. DEGREE EXAMINATION, DEC - 2016

(Second Year)

### **MANAGEMENT OF INFORMATION SYSTEMS**

**Time : 3 Hours** 

### **Maximum Marks : 70**

<u>SECTION- A</u>

 $(3 \times 5 = 15)$ 

#### Answer any THREE of the following

- *Q1)* a) Categories of decisions.
  - b) Types of information systems.
  - c) Assessment of organization information needs.
  - d) Methods used to design on-line system.
  - e) Stages of information system development.
  - f) Data transmission error and recovery.

# $\underline{\text{SECTION}-B} \qquad (3 \times 15 = 45)$

#### Answer any THREE of the following

- **Q2)** Explain decision making process and the information required at each stage. Describe the evolution of MIS.
- Q3) Discuss stage growth hypothesis. Describe the steps in MIS design process.
- **Q4)** Explain the stages in system development life cycle. Describe the application and system software required for on-line systems.
- Q5) Describe modes of transmission. Explain the methods used in multiplexing.

- Q6) Describe various types of data structures and the aspects to the database design. Describe Codd's Commands.
- **Q7)** Discuss Computerisation at IFFCO.

## <u>SECTION-C</u> (10) (Compulsory)

Q8) Case Study:

Israel Discount Bank uses on-line Kiosks (linked together by net works) to provide customers with automatic access to more than 40 kinds of financial service transactions, including account statements, money transfers, real-time stock market quotes, automatic check deposits and monitoring of different funds. The Kiosks communicate in three languages Hebrew, Arabic and Russian.

Customers log on to the Kiosks using their credit cards or self-service cards. The Kiosks are completely menu-driven and if a customer has problems using the Kiosks, a bank representative is always available. Customers can get a hard copy of any information from a nearby printer. The services provided by these Kiosks are so sophisticated that a banking system specialist commented, "It is fon a head of what you would find in London, Paris or Newyork". IDB embraces the philosophy of serving the customer. The innovative use of information technologies has had a significant impact on bottom-line profits for IDB. IDB lines more than 200 software developers, engineers and IT staff at a total cost of \$ 20 million each year and spends an equal amount on hardware and maintenance. In fact IDB's success has been so great that other banks all over the world are developing similar systems.

- a) What kind of system is the on-line Kiosk at IDB? Discuss.
- b) What do you think are some reasons why IDB has been so successful with its IT applications?

