

Assignment 901

Ques 1) Who is an entrepreneur? Discuss the qualities or traits of a successful entrepreneur.

Ans 1) J.B. Say, a French economist, has defined an entrepreneur as the economic agent who unites all means of production land of one, the labour of another and the capital of yet another and thus produces a product. By selling the product in the market he pays rent of land, wages to labour, interest on capital and what remains is his benefit.

Qualities / traits of an entrepreneur.

- i) Initiator: As per the demand of the situation, the entrepreneur takes initiative to start a new enterprise.
- ii) Calculated risk taker: An entrepreneur is usually a calculated risk taker. He enjoys the excitement of challenges but does not gamble.
- iii) Committed to work: An entrepreneur accords the utmost priority to accomplish the work.
- iv) Proper planner: An entrepreneur frames realistic business plans and follows them rigorously to achieve the objectives.
- v) Self-confident: An entrepreneur is a strong believer in his strengths and weaknesses.

Ques 2) List the institutions which provide supports to an entrepreneur for establishing an enterprise.

- Ans 2)
- i) Commercial Banks
 - ii) State Financial Corporations
 - iii) District Industry centers (DICs)
 - iv) Small Industries Service Institutes (SISIs)

- v) Small Scale Industries Board (SSIBoard)
- vi) National Small Industries Corporation (NSIC)
- vii) Technology Business Incubator (TBI)
- viii) Entrepreneurial Guidance Bureau (EGB)

Ques 3) What is NABARD? what are its various functions?

Ans: The National Bank for agriculture and rural development (NABARD) was established in 1982. for providing credit for the promotion of agriculture ,small- scale industries, cottage and village industries, handicrafts and other rural crafts and other allied economic activities in rural areas with a view to promoting integrated rural development and securing prosperity of rural areas.

→ Function of NABARD

- i) To serve as an apex financing agency for the institution providing investment and production credit for promoting various developmental activities in rural areas.
- ii) To undertake monitoring and evaluation of projects refinanced by it
- iii) NABARD gives high priority to projects formed under Integrated Rural Development Programme (IRDP)
- iv) It also runs programs for agriculture and rural development in the whole country.

Assignment 8-02

Ques 1) What factors should be considered while making final selection of the product to be manufactured?

- Ans 1) The following factors must be considered in product selection:
- Present market:** The size of the presently ^{available} market is the main deciding factor in the product selection. Estimates of the number of potential customers and their expected individual capacity to consume, gives the sales estimate of the product in consideration.
 - Scope of growth market:** There should be a prospect for rapid growth in the market. Projected increase in number of potential customers, increase in need, favourable economic trends must be taken into account while selecting a product for manufacturing.
 - Costs:** The cost of production and distribution must permit an acceptable profit when the product is priced competitively. Cost of raw materials, labour costs, distribution costs, after sale-service costs etc. must be considered before taking a final decision on product selection.
 - Availability of main production factors:** Production factors such as raw materials, water, power, fuel and skilled labour should be examined to ensure their availability comfortably and at competitive rates.

Assignment % 03

Ques 1: What do you mean by Project Report? What is the necessity of a project report?

Ans 1: The document which contains the required details like the personal biodata of the entrepreneur, the product to be manufactured, its design, manufacturing process, raw materials, machines and equipments required, staff needed, the amount of money required, the source of finance, costs of goods to be produced, market demand of the product and the likely profits anticipated etc. is called a project report. In simple words, project report is a written statement of what an entrepreneur proposes to take up.

→ Necessity of a project report

- It helps the entrepreneur in getting provisional/permanent registration of the project from the distinct industries centre.
- It helps in allotment of industrial plot or shed for the project from state industrial development corporation.
- It helps in securing supply of scarce raw materials required for the product to be manufactured.
- It helps the entrepreneur in establishing techno-economic viability of the project.

Ques 2: Explain the contents of a project report?

Ans 2: A good report should contain the following:

- Objective and scope of the report
- Location: Exact location of the project, lease or freehold, locational advantages etc.
- Land and building: Land area, constructed area, type of construction, cost of construction, detailed plans

and estimates along with the plant layout.

- iv) Plant and machinery: Details of machinery and equipments required, electric loads, capacity, suppliers, cost, various alternatives available, laboratory equipments and other infrastructure etc.
- v) Production process: Details of production process, process chart, technical know how, technology used, alternatives available, production schedule etc.
- vi) Other utilities: Requirement of water, power, steam, compressed air requirements, source of these utilities and their cost estimates etc.

Assignment 804

Ques 1 Explain the hierarchical management structure.

Ans 1 The hierarchical management structure is as follows:

1. Top level management
2. Middle level management
3. Lower level management

1. **Top Level management:** Top level management is the head of the organisation. It consists of the representatives of the shareholders. The ^{top} level management is the ultimate source of authority in the company. Top level management performs all the functions of management. All the policy decisions are taken by top level management. The top level management is also responsible to the shareholders of the company.

2. **Middle level management:** Middle level management serves as a link between the top level management and lower level management. It comprises of departmental heads and section officers of purchase, personnel, production, sales, finance and marketing. The important functions of middle level management are as follows:

- i) To co-operate in making a smooth functioning of organisation
- ii) To establish co-ordination between the different levels of management.
- iii) To build up a contented and efficient staff.

3. **Lower level management:** Lower level management consists of office superintendents, foremen and supervisors etc. These persons are just above the

Operational staff as per specifications and procedures laid down by middle level management. They are also responsible for maintaining high morale among the workers.

Ques 2) Difference between line and staff.

Specification	Line organisation	Staff organisation
1. Simplicity	Very simple	Simple
2. Work load on manager	High work load	Moderate work load.
3. Suitability	Suitable for small enterprises.	Suitable for Large and moderate enterprises.
4. Economy	Highly economical	Moderately economical
5. Specialisation	Specialisation is low	Specialisation is medium.

Assignment :- 05

Ques 1 :- Explain the Maslow need hierarchy theory of motivation.

Ans :- Probably the most widely known theory of individual needs and motivation was developed by Abraham Maslow, who was a psychologist. He suggested that individuals have a complex set of strong needs. Human needs have a certain priority. When people's basic needs are satisfied, then they try to satisfy their higher needs. Maslow stated that people have five levels of needs. The hierarchy of these needs is as follows:

- i) Physiological needs (basic needs, food, clothing, shelter)
- ii) Safety needs (Security of job, income)
- iii) Social needs (Belongingness needs, love affection, friendship)
- iv) Esteem and status needs (Recognition, power)
- v) Self-actualisation needs (Personal achievement)

Ques 2 :- What is motivation? Explain the theory of motivation?

Ans :- Motivation is an part of stimulating someone or oneself to get a desired course of action, to put the right button to get desired action.

→ There are following theories which try to answer this in their own way:

1. Maslow's need hierarchy theory:
Probably the most widely known theory of individual needs and motivation was developed by Abraham Maslow, who was a psychologist. He suggested that individuals have a complex set of strong needs. Human needs have a certain priority. Maslow stated that people have five levels of needs.

- i) Physiological needs
- ii) Safety needs
- iii) Social needs
- iv) Esteem and status needs
- v) Self-actualisation needs.

2. Herzberg's theory of motivation!

Frederick Herzberg developed the motivation theory which is known as the two factor theory. Herzberg conducted interviews of 200 engineers and accountants. He found that there are two sets of needs.

- i) Hygiene factors.
- ii) Motivational factors.

Assignment 3-06

Ques 1st) Define H.R.D and its features

Ans 1st) "Human resource development is the part of human resource management that specially deals with training and development of the employees in the organization."

→ Features of H.R.D

1. H.R.D is a system having several independent components. If the change is made in one component, it leads to the change in others also.
2. H.R.D is a planned process
3. H.R.D is a continuous process
4. H.R.D is a combination of ideas and principles laid down from sociology, psychology and economics.

Ques 2nd) Describe performance appraisal methods in detail.

Ans 2nd) The following are the important methods of performance appraisal:

1. UNSTRUCTURED APPRAISAL METHOD:

This method is simply and highly subjective. It is specially used in government departments and public sector undertakings. In this method, the appraiser notes down his impression about the person being appraised under specific headings like health, behaviour, personality, trait etc.

2. RANKING METHOD: It is a simple method of placing the employees in a rank according to their job performance. All the employees are compared on the same factors and

rated on the overall basis with reference to their job performance. In this method, the best employee gets the first rank and the poorest, the last rank.

3. FORCED DISTRIBUTION METHOD: In this method, the appraiser divides the employees being appraised into predetermined ranges of scale. In this method, two or more employees may be given same rating. This method is based on the assumption that employees can be divided into five points scale:
- (i) Outstanding (ii) Above average (iii) Average,
 - (iv) Below average and (v) Poor. The advantage of this method is that it is easy to understand and implement.

4. CRITICAL INCIDENT METHOD: In this method, critical incidents of each employee's behaviour, whether positive or negative, are recorded by the appraiser in a specially designed method notebook for the purpose. Some critical incidents of behaviour are as follows:

- (i) Employer accepts new ideas.
- (ii) Employer suggests an improvement in the work method.
- (iii) Employer becomes upset on overload.
- (iv) Employer refuses to help other workers.
- (v) Employer resists the change.