

Birla Institute of Technology and Science, Pilani
Second Semester 2016-2017
MGTS F211 – PRINCIPLES OF MANAGEMENT
Midsemester Examination-CLOSED BOOK

Date: 7th March, 2017

Weightage: 30%

Duration: 90 mins.
Max Marks: 60

Note: This part has two sections A & B. Answer questions of a part together. Answer the questions as per the instructions given. Answer to the point and highlight key words. Non adherence to word limit and splitting of parts will be penalized.

SECTION A

Q1 Differentiate between the following on a common criteria (Max. 40 words): (2*3=6M)

- | | | |
|---|--|------------------------------|
| A. General environment and specific environment | B. Social obligation and social responsiveness | C. Franchising and licensing |
|---|--|------------------------------|

Q2 Answer the following questions:

- A. List and explain any two factors that determine ethical and unethical behavior of an individual. (2*2=4M)
B. Describe any two dimensions of national culture proposed by Geert Hofstede. (2M)

Q3 Read the following caselets and answer the questions that follow:

A. Peter, a production supervisor, is responsible for 14 non-managerial employees who assemble components into a finished product that is sold to distributors. Peter reports to Sam, a production manager, who in turn reports to Richard, a vice president of operations along with Margreta, a general manager. Recently, Richard asked Margreta to schedule a meeting with Peter and Sam regarding some customer complaints about production defects. The agenda of the meeting was to judge validity of these customer complaints and to develop a specific plan to address these complaints. (3+3=6M)

- (i) Draw a well-labelled managerial level pyramid and place each one of them on different management levels.
(ii) Identify any one management skill that is the most appropriate for Peter, Richard and Margreta. Justify the choice in not more than 20 words each.

B. Quora is all about learning, conversation, and discovery. So it only makes sense, that the question-and-answer website's employees are constantly learning and improving. At Quora, new hires are paired with mentors, and by the end of the first week, engineers and designers are reviewing one another's computer code for content and deploying their creations. In fact, continuous deployment—where new code is shipped out constantly—is the norm. Constant feedback from peers helps ensure the code keeps improving, and it helps employees learn from one another. Employees get regular one-on-one meetings with managers starting from day one, and everyone on the team has the chance to work with one another as teams that vary by project. Quora employees are also treated regularly to yoga sessions, free meals and company swag, and movie nights and morale events keep the team happy and engaged. On "one-hour project days," everyone on the team spends their day doing tasks of their own interest—like bug fixes, code generation, etc.

Identify any two dimensions of organizational culture highlighted in the above case about Quora. Justify your answer with the evidences from case. (2*2=4M)

Q4 Read the following statements and answer the questions that follow:

- A. Identify the management approach that explains the following statements most appropriately. Support your answer with one more characteristic of that approach: (2*2=4M)
(i) Organizations and even units within the same organizations differ and hence changing situations require managers to use different approaches and techniques.
(ii) This management philosophy is devoted to continual improvement in processes and responding to customer needs and expectations.
- B. Identify the mode of entry of these global corporations. Explain the rationale of your choice. Map the three companies on a continuum of minimum global to significant global investment : (1*3)+1=4M)
(i) Dell EMC, a leading provider of IT storage solutions and Pi Datacenters, a green field data centre and an enterprise class cloud service provider have collaborated to leverage each other in delivering software defined storage to customers in the India market.
(ii) Micromax, a leading Indian origin company is expanding globally in smart phone market. In 2014, it has shipped more than two million smart phones to countries like Russia, Nepal, Bangladesh, Sri Lanka, UAE and Brazil.

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- (III) After several months of negotiations with the government of the Czech Republic, Hyundai Motor Company has set up a manufacturing plant in the Moravia-Silesia region in the northeast of the Czech Republic. According to vice-president of the company, 'The Czech Republic is the right place for our project. After commencing production, we intend to produce 300,000 cars a year'.

SECTION B

- Q5** Zed and Adrian run a small bicycle shop called "Z to A Bicycles". They must order bicycles for the coming season. Orders for the bicycles must be placed in lots of twenty (20). The cost per bicycle is \$70. Supply of the bicycles may be in 4 types of lot 20, 40, 60, 80. Demand condition may be again in 4 ways i.e. 10, 30, 50, 70. Based on the given information. Selling price: \$100
Profit: \$30 $(2+2+1+1+1=7 \text{ M})$

A. Develop payoff matrix on the basis of profit figure	B. Develop regret matrix
How many cycles Zed and Adrian should order if they take decision based on:	
C. Maximax Principle	D. Maximin Principle
E. Minimax Principle	

(Show the necessary calculations for your answers)

- Q6** Read the following caselets and answer the questions that follow:

- A. Hopscotch, is a renowned e-commerce company in children's' clothing. They sell only top branded products and accessories for kids. The company is planning to expand its presence in other segments as well, by launching a new online platform called Hopscotch-W to sell products for the women customers along with a facility for customization. Based on the information given answer the following questions. Justify your answer with rationale (Max. 20 words each): $(2+2=4 \text{ M})$

- (i) Identify and explain the existing competitive strategy of the company.
(ii) Identify and explain the future corporate strategy of the company.

- B. Worldwide automobile demand is tied to vehicle prices, per capita disposable income, fuel prices and product innovation. This industry is large and matured. Manufacturing plant involves certain legal issues. Governments often protect their home markets by introducing high import taxes. On the supply end, vehicle prices stem from material and equipment costs, with higher steel and plastic prices raising manufacturers' purchasing costs and, ultimately, retail prices. Companies use another type of material but only to some extent. As incomes increase, the propensity to purchase motor vehicles increases as they become more affordable. Incentives are used to generate sales during periods of low economic growth. Over the past five years, there has been a significant increase in the number of automobile financing companies being established in the BRICs. This has resulted in the number and range of automobile loans increasing, which has contributed to stronger industry demand. In the developed world, overall improved quality among most manufacturers has caused buyers to feel freer to use price to differentiate similar products. Consumers are increasingly better informed about a vehicle's actual cost and less likely to accept large annual price increases. Movements in fuel prices also generally influence the demand for vehicles by type. During periods of high fuel prices, more fuel-efficient vehicles are in demand. Over the past five years, the price of fuel has been rising, which has encouraged the adoption of hybrid and other fuel-efficient models.

Based on the information given in the case identify any two forces of Porter's five forces model and list one evidence of each of them $(2*2=4 \text{ M})$

- Q7** Differentiate the following on a common criteria in not more than 20 words each. Highlight the necessary keywords. $(2*4=8 \text{ M})$

A. Policy and procedure	B. Single use plan and standing plan
C. Stability strategy and Renewal strategy	D. Stated goals and real goals

- Q8** Answer the following question as per the word limit specified:

- A. List and explain any two biases in decision making process (Max. 20 Words each). (2 M)
B. List and explain any two characteristics of well written goals (Max. 50 words). (2 M)
C. List any three elements of 'Management by Objective'(Max. 20 Words each). (3 M)