

TRIBHUVAN UNIVERSITY
FACULTY OF MANAGEMENT

Office of the Dean

Sept. - Oct. 2018

Full Marks: 60

Pass Marks: 27

Time: 3 Hrs.

BIM / Sixth Semester / MGT 206: Business Environment in Nepal

Candidates are required to give their answers in their own words as far as practicable.

Group "A"

[10 × 1 = 10]

Brief Answer Questions:

1. Define environmental scanning.
2. Write the components of general environment.
3. Define liberalization.
4. State briefly the scenario of employment trends in Nepal.
5. Give one illustration, how does constitution affect the business.
6. Define out social organization.
7. Mention any three problems of IT policy implementation in Nepal.
8. Write any two points of energy management issue in Nepal.
9. What do you mean by capital market reform?
10. Write Full form of BIMSTEC.

Group "B"

[6 × 5 = 30]

Short Answer Questions:

11. Define environmental analysis. Explain importance of environmental analysis in strategic management.
12. Explain the major challenges of Nepalese economy and their impact on business.
13. Examine the current employment trends and labor market issues of Nepal.
14. Explain the key social changes in Nepalese business and their effects on business enterprises.
15. Describe the major provisions of intellectual property legislation in Nepal.
16. What are the positive and negative effects of WTO on Nepalese business? Explain.

Group "C"

[4 × 5 = 20]

Comprehensive Answer Questions:

17. Read the following case carefully and answer the questions given below:

When most firms were struggling in 2008, Wal-Mart increased its revenues from \$348 billion in 2007 to \$378 billion in 2008. Wal-Mart's net income increased too, from \$11.2 billion to \$12.7 billion quite impressive. Fortune magazine in 2009 rated Wal-Mart as their 11th "Most Admired Company in the World" in terms of their management and performance.

Wal-Mart Stores continues to expand internationally, particularly in emerging countries such as Brazil and India. From 2009 to 2013, Wal-Mart plans to devote 53 percent of its international spending to emerging markets, up from 33 percent in the prior five years. The company plans include remodeling U.S. stores rather than adding new stores and going to smaller stores.

Wal-Mart's capital expenditures in the year ending January 2010 were \$5.3 billion, up from \$4.8 billion the prior year. As electronics retailer Circuit City was declaring bankruptcy and liquidating in 2008, Wal-Mart was beefing up its electronics product line, directly attacking Best Buy. The two firms today are in a dogfight to obtain the millions of electronics products customers. Best Buy was Fortune's 44th "Most Admired Company in the World" in 2009.

Wal-Mart recently restored the electronics departments in its 3,500 U.S. stores to make them much more interactive and roomier. The company wants all the business that Circuit City's failure left and also wants all of Best Buy's and Amazon's business. Wal-Mart now carries sophisticated electronics products such as Research in Motion Ltd.'s Blackberry smart phones, Palm Inc.'s Pre smart phone, and Blu-ray disc players. Wal-Mart in June 2009 began selling Dell Inc.'s new Studio One 19 touch-screen computers.

Wal-Mart Stores is bigger than Europe's Carrefour, Tesco, and Metro AG combined. It is the world's number one retailer, with more than 7,870 stores, including about 890 discount stores, 2,970 combination discount and grocery stores (Wal-Mart Supercenters in the United States and ASDA in the United Kingdom), and 600 warehouse stores (Sam's Club). About 55 percent of its Wal-Mart stores are in the United States, but the company continues expanding internationally; it is the number one retailer in Canada and Mexico and it has operations in Asia (where it owns a 95 percent stake in Japanese retailer SEIYU), Europe, and South America. Founder Sam Walton's heirs own about 40 percent of Wal-Mart.

Wal-Mart is a corporate leader in sustainability. The company in 2009 alone installed rooftop solar arrays on 20 stores and warehouses in California and Hawaii. A Wal-Mart partner, BP Solar, installs, maintains, and owns these systems. Perhaps more importantly, Wal-Mart in July 2009 unveiled a new environmental labeling program that requires all its vendors to calculate and disclose the full environmental costs of making their products. All vendors must soon distill that information into Wal-Mart's new labeling system, thus providing product environmental impact information to all Wal-Mart shoppers.

This new Wal-Mart program may redefine the whole consumer products labeling process globally by the year 2012.

Questions:

- a. Critically examine the current business environment of Wal-Mart.
- b. Do you think that the Wal-Mart retail business moving towards other countries i.e. Brazil and India is appropriate? Give your suggestions to compete in today's business environment?
- c. What are the strengths and weakness of Wal-Mart?
- d. What strategic steps would you suggest Wal-Mart take to increase the competitive advantages over the competitors?

