Fifth Semester B.E. Degree Examination

CBCS - Model Question Paper - 1

MANAGEMENT AND ENTREPRENEURSHIP FOR IT INDUSTRY

Time: 3 hrs. Max. Marks: 80

Note : *Answer all FIVE questions, selecting ONE full question from each module.*

Module - 1

1 a. **Define Management and bring out its nature and characteristics.** (10 Marks)

Ans. **Management :** It is the art of getting things done through people.

Nature and characteristics of management :

1. Management is considered a universal process :

It is a universal process which is applied in all types of institutions like social, religious military etc.

2. Management is goal oriented

This means that management is always aimed at achieving specific goals. All the efforts of management is directed towards achieving effectiveness and efficiency.

3. Management is a social process

It includes retaining, developing and motivation people at work as well as taking care of their satisfaction as social beings.

4. Management is a coordinating force.

It is management which combines individual goals with organizational goals. It integrates human and physical resources.

5. Management is intangible :

It means that management cannot be touched and felt. It does not have a physical presence.

6. Management is dynamic

It is dynamic and an on-going process. Management is a journey, not a destination.

7. Management is multi - disciplinary

It has received rich contribution from various disciplines like psychology, sociology, anthropology etc.

8. Management is a creative activity :

It provides creative ideas and new imagination apart from giving progressive vision to group efforts.

9. Management is decision making

The management of an organization continuously takes decisions which decides the fate of an organization.

10. Management is a profession :

It is better if a manager is professional. This means that person can be trained and tuned to become a management professional.

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b. List out the levels of management and explain. **(06 Marks)**

Ans. Levels of managements :

1. Top management
2. Middle management
3. First line or low level management

1. Top management :

- Determine the goals of the organization
- Establish policies
- Monitoring performance and judging the results consists of general manager, secretary, chief executives.

2. Middle management :

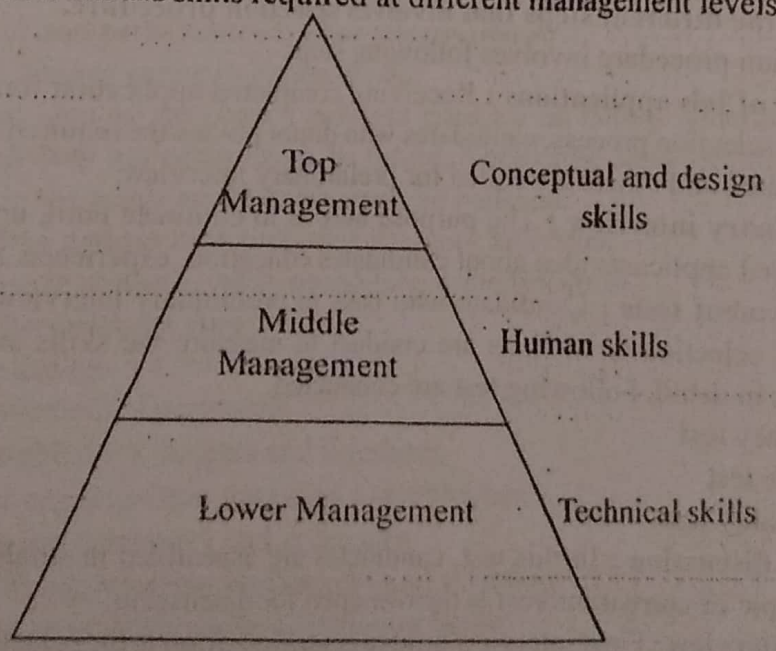
- Plan details of all operations.
- To co-operate with top management for the smooth functioning of organization.
- To coordinate between various departments consists of super intendents, departmental heads.

3. Lower management :

- To act as a link between management and the workers.
- Direct supervision of workers and their work.
- Arrangement of material, tools, facilities etc for production.

Consists of foreman, supervisors.

The various levels and skills required at different management levels shown below.



OR

2. a. Define planning? Explain the importance of planning. **(08 Marks)**

Ans. Planning : It is deciding in advance what is to be done.

Importance of planning :

1. Planning provides direction :

It provides a clear sense of direction and purpose to the activities of an organization.

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2. Planning minimizes risk and uncertainity :
Planning based on hard facts an data help managers to minimize risk and uncertainties.
3. Planning ensures co-ordination :
Planing helps to establish co-ordinated efforts from different divisions, departments and people.
4. Planning leads to economy :
Planning helps accomplish an optimal utilization of physical and human resources.
5. Planning facilities decision making :
It helps in providing guidelines and thus facilitate decision making.
6. Planning reduces overlapping and wastage of efforts :
It helps avoiding duplication of efforts and overlapping of tasks and responsibilities.
7. Planning encourages innovation and creativity :
It makes managers analyze weaknesses and threats to their business. Innovation and creativity are like trump cards in a competitive world.
8. Planning facilities control :
Control is the key to success of any organization.
9. Planning improves morale : It has a definitive role to play in success of an organization.

b. Briefly explain the steps in planning. **(08 Marks)**

Ans. Steps in planning :

Step 1 : To establish objectives which are verifiable :
The first step in the planning process is to identify the goals of the organization, which should be verifiable in nature. The objectives that are so derived must also indicate who, when , where and how they are to be achieved.

Step 2 : To establish planning premises :
Planning premises are basically assumptions of future market conditions which become the basis for current planning process.

Step 3 : To determine alternative courses of action :
One has to search for and list all possible alternatives in order to be compared and analytically evaluated.

Step 4 : To evaluate the alternatives and select the best :
All the alternatives have to be compared and evaluated with respect to their expected contribution to the organizational objectives.

Step 5 : To formulate derivation plans :
Derivative plans are nothing but subplans or departmental plans. They are required in order to translate the broad overall plan of the organization into day to day operations.

Step 6 : To secure co-operation and participation of all employees :
The successful execution of a plan depends to a large extent on the whole hearted co-operation of all employees.

Step 7 : To measure and control the progress through follow - up :
Follow up measures should be put inplace to continually review the relevance and effectiveness of the plan.

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Module - 2

3. a. Give the comparison between Maslow's and Herzberg's theory. (06 Marks)

Ans.

Maslow's Theory	Herzberrg's theory
1. It is based on the concept of human needs and their satisfaction.	1. It is based on the use of motivators which include achievment, recognition for growth
2. It is rather simple and descriptive	2. It is more prescriptive
3. It is most popular and widely cited theory of motivation.	3. It is extension of Maslow's theory of motivation
4. It is applicable to poor and developing countries	4. It is applicable to rich and developed countries
5. Any need can act as a motivator	5. Hygiene factors donot act as motivators.
6. Physiological needs, safety needs, social needs are included	6. Esteem needs, self actualization needs.

b. Briefly explain the leadership styles. (10 Marks)

Ans. There are 3 widely used leadership styles or leadership approaches trails approach. Behavioural approach and contigency approach.

i. Traits approach : It is basically a character and early notions about leadership dealt with perronal abilities. The trails that associate with leadership qualities are identifies as : mental and physical energy, emotional stability, knowledge of human relations.

This approach has several drawbacks

- It failed to identify right traits required for effective leadership.
- It is difficult to associate the traits with jobs to be carried out.
- Since these are subjective, it is difficult to measure their effectiveness quantitatively.
- This approach implies that leadership is in built quality and no training can make a person leader.

ii. Behavioural approach :

There are several theories based on leadership behaviour and styles. They are

a. Style based on authority : Based on how the authority is used, the leadership are styled into 3 groups.

- The first is autocratic leader who commands and expects compliance and leads by the ability to withhold rewards and punishment.
- The second is democrative or participative leader who consults with subordinates on proposed actions and decisions and encourages participation from them.
- The third type is "free - rein" leader who uses his power very little and gives a high degree of independence to his subordinates to carryout their work.

b. Likert's four systems of management :

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System 1 : Management is described as exploitive authoritative. Its managers are highly autocratic have little trust in subordinates.

System 2 : This is called "benevolent authoritative". Its managers have a patronizing confidence and trust in subordinates.

System 3 : This is called "consultative management" managers in this system have substantial but not complete confidence in subordinates.

System 4 : This is called "perspective - group". Managers have complete trust and confidence in subordinates in all matters.

c. The managerial grid : "Concern for production" on x - axis of grid includes the attitudes of a supervisor towards a variety of things such as quality of policy decisions, procedures , creativeness etc

'Concern for people is taken on y - axis of grid. This includes elements like degree of personal commitment towards good achievement, maintenance of self stream.

Leadership involves a variety of styles :

This concept is also called as leadership continuum. It is seen that the leadership involves a variety of styles ranging from one which is highly boss centered to the other which is highly subordinate concerned.

Contingency approach to leadership :

It has a much meaning for managerial theory and practice.

OR

4. a. What are the different steps that involves selection procedure. **(08 Marks)**

Ans. The selection procedure involves following steps

1. Receipt of job applications : Receiving completed application forms is the first step in the selection process, candidates who donot posses the required qualifications are eliminated and others are called for preliminary interview.

2. Preliminary interview : The purpose here is to eliminate until, unqualified and less qualified applicants idea about candidates education, experience, appearance.

3. Employment tests : Candidate who pass in preliminary interview are asked to appear for selection tests. Tests are conduct to measure the skills and abilities of candidates in detail. Following test are conducted.

i. Proficiency test

ii. Aptitude test

iii. Personality test

4. Group discussion : In this test, candidates are assembled in small groups and a general topic of current interest is thrown open for discussion.

5. Final interview : Final interview holds a central position in the selection procedure. It is the final frontier for the candidates.

6. Checking references : This is one of the last step before the candidate is offered a job in the organization. Reports of the previous employer of the candidate is sometimes given a lot of weight by the potential employers.

7. Medical examination : A through medical checked of candidates is carried out prior to placement candidates who are medically unfit will be disqualified.

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8. Placement : The final step in the selection process is to give the appointment order to the candidate specifying the place of work, gross emoluments and other terms and conditions.

b. Explain the steps involved in the process of controlling. **(08 Marks)**

Ans. Step 1. Setting of standards : Standards are the target against which actual performance will be compared. Standards are nothing but performance. It is divided into two types

i. Quantitative standards : Ex : Production level, rejection level, labour hours, speed of service etc

ii. Qualitative standards : Ex : Employee morate, brand image, company image, good will etc.

Step 2. Measurement of actual performance

Here the control process is to measure actual performances of various individuals, teams and departments in the background of established standards.

To make any measurement process effective, the following 3 aspects to be followed

i. Completion : The actual performance measurement has to be complete in all aspects.

ii. Objective : Performances at work should be measured in an objective manner without fear.

iii. Responsiveness : The management of any performance should support the belief that effort and performance lead to improvement.

Step 3 : Taking corrective measures :

The final step in the control process consists of taking remedial actions so that deviation may not occur again in future. Corrective steps are initiated so that any defects in the actual performance may be rectified.

Corrective actions may include following activities

1. Change in methods, rules, procedure strategies etc
2. Introduce training programs.
3. Job redesign
4. Replacement of personnel
5. Re-establishing budgets and standards
6. Better compensation packages to employees.
7. Changing machinery and processes.
8. Identifying recurring bottlenecks and avoiding
9. Trying to understand the completion better
10. Looking at raw material resources and suppliers.

Module - 3

5. a. Define entrepreneur? Bring out the broad classification (types) of an entrepreneur. **(10 Marks)**

Ans. Entreprenuers broadly classified into following types

1. According to the type of business :

i. Business entrepreneur

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ii. Trading entrepreneur
iii. Industrial entrepreneur
iv. Corporate entrepreneur
v. Agricultural entrepreneur
vi. Retail entrepreneur
vii. Service entrepreneur

2. According to the use of technology

i. Technical entrepreneur or non technical
ii. Professional entrepreneur
iii. Low tech or high tech entrepreneurs.

3. According to motivation

i. Pure entrepreneur
ii. Induced entrepreneur
iii. Motivated entrepreneur
iv. Spontaneous entrepreneur

4. According to the growth

i. Growth entrepreneur
ii. Super growth entrepreneur

5. According to the stages of development

i. First generation entrepreneurs
ii. Modern entrepreneurs
iii. Classical entrepreneurs

6. According to the area

i. Urban entrepreneur
ii. rural entrepreneur

7. According to the age and gender

i. Young entrepreneur
ii. Old entrepreneur
iii. Male entrepreneur
iv. Female entrepreneur

8. According to the scale of operation

i. Small scale entrepreneur
ii. Medium scale entrepreneur
iii. Large scale entrepreneur

9. Other type :

i. Professional and non professional entrepreneur
ii. Modern entrepreneur
iii. Traditional entrepreneur
iv. Forced entrepreneur

b. Explain the stages in entrepreneurial process **(06 Marks)**

Ans. i. Identification of opportunity :

This may be from entrepreneur own idea or from external sources like consumers and business associates etc. Consumers are the best source of ideas for a new venture

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who spells out the need of a product or service. The business associates also can give ideas of a product or service.

ii. Evaluation of the opportunity :

The opportunity identified by using either input from consumers, business associates, channel members or technical people, must be carefully screemed and evaluated. The evaluation process involves looking at the length of opportunity, its real and perceived valve its risks and returns, its fit with personal skills and goals of the entrepreneur. This plan includes

- Description of product or service
- Agreement of opportunity
- Assessment of the entrepreneur and his team
- Resources needed.
- Amount and source of capital needed

iii. Development of a business plan :

To achieve the proposed business opportunity a well defined business plan need to be developed. The business plan should contain the following order

- Title of project, table of contents.
- Description of business and industry
- Technology plan
- Financial plan
- Organization plan
- Production and operational plan
- Marketing and distribution plan
- Summary of plan

iv. Determination and organizing the resources :

This process begins with assessment of present resources. Enough care must be nature of resources required.

v. Management of Enterprise :

After resources are acquired, the entrepreneur must use them to implement the business plan. The optional problems of the growing enterprise must also be examined.

OR

6. a. Explain briefly about market feasibility study. **(08 Marks)**

Ans. Market feasibility study will assess whether the product has good market. This needs to study the following.

i. Nature of the market :

The nature of market in terms of monopolistic or perfect competition is to be studied

ii. Cost of production :

It is essential to study and control cost of production. Cost of production decides the selling price.

iii. Selling price and profit :

Selling price plays a vital role in profit. In price sensitive goods like cosmetic, one

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should be careful in fixing the price.

iv. Demand :

Present demand and demand forecast are prepared and studied. This will deide the facility planning.

v. Market share :

Estimated market share is to be made comparison is made with share of similar products.

vi. Target market :

Study is made with regard to the target market and market segmentation.

b. What are aspects involved in financial feasibility study. (08 Marks)

Ans. Financial feasibility is the most important aspects of a business opportunity. Some of the aspects involved are

i. Total capital cost of project : It is very essential to study the total cost of project. This includes fixed capital, working capital and interest factor.

ii. Sources of capital : The study of main sources of capital is to be made. If capital is borrowed, interest burden is to be studied in detail.

iii. Subsidiary sources for additional finance : After study of main sources of capital subsidiary sources of capital are to be identified and studied.

iv. Financing for future development of business : Financing requirement for future development of business are to be studied. Working capital requirement for at least three months running of enterprise are to be estimated.

v. Break even analysis (BEA) : It is to be carried out to see at what level of production / sales will make the organization no loss / no profit situation.

vi. Estimation of cash and fund flow : It is very essential to make a study of estimation of cash and fund flow in the business.

vii. Return on investment (ROI) : ROI is to be calculated to see the amount of return on investment for the investors/ share holders and how much they get.

viii. Proposed balance sheet : Proposed balance sheet is made showing liabilities and assets, depreciation , interest burden, profits expected etc.

ix. Cost of labour and technology : The cost of employees is to be estimation and studied. If technology is not available then it has to be purchased from any R & D institution or by way of foreign collaboration.

Module - 4

7. a. What is project? Explain the guidelines by planning commission for project report. (10 Marks)

Ans. Project : The project is scientifically evolved work plan devised to achieve a specific objective within a specified period of time.

Guidelines :

i. General information : The feasibility report must include the analysis of the industry to which it belongs. The report should deal with description of type of industry, its priority, past performance, increases in production etc.

ii. Preliminary analysis of alternatives : The details like gap between demand and

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supply of proposed products, availability of capacity, list of all existing plans in industry. All technically feasibility options are considered here.

iii. Project description : The feasibility report should provide a brief description of the technology process selected for the project information pertaining to the selection of optimal location etc are to be provided.

vi. Marketing plan : The details like marketing plan, demand, target price of product, distribution methods etc are to be presented.

v. Capital requirements and costs : Information with regard to capital requirement and costs with breakup are to be provided. The estimates should be realistic and based on logical information.

vi. Operating requirements and costs : The cost incured after the commencement of commercial production are called operating costs.

vii. Financial analysis : It is essential to assess the financial viability of the project.

viii. Economic analysis : Social profitability analysis is to be made. Impact of the operations on foreign trade, direct costs and benefits are to be included in the report.

ix. Miscellaneous aspects : Depending upon the nature and size of operation of a particular project may be include in report.

b. Explain the need and significance of the project. **(06 Marks)**

Ans. A project report is a written document pertaining to any investment proposal.

- It contains relevant data on which the project has been appraised and found relevant.
- It is a course of action what the entrepreneur wants to do in his business of project report is of great significance for the entrepreneur.
- The project report especially serves two function. It serves as a road map describing the direction of the enterprises it goals and how to achieve them. It also served to attract investors and lenders.
- The preparation of project report is beneficial for those entrepreneurs seeking financial assistnace from financial institutions and commercial banks.
- Financial institutions provide financial assistance based on project report.
- A project report is prepared by an expert after detailed study and analysis of the various aspects of a project.

OR

8. a. Write short notes on supply chain management. **(06 Marks)**

Ans. Supply chain management :

- The old way of delivering a product was to develop relatively inaccurate projections of demand, then manufacture that product and till up ware houses with the finished goods. This led to either over stocking or understocking.
- In the former situation, the company was faced with a huge amount of capital getting locked into with a huge amount of capital getting locked into stocks. In latter case, it meant loss of business
- Many industries have now replaced this old technique with a new technique which is known as supply chain management (SCM)

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- SCM, under which they effectively collaborate with suppliers and customers for managing the flow of goods, services and information along a supply chain.
- The supply chain is madeup of all the activities that are required to deliver the product to the customer from marketing, manufacturing, customer service so on.
- Efficient and effective SCU assistsan organisation in getting the right goods and services to the place needed at the right time in proper quantities and at acceptable cost.

b. Explain the objective of market research? **(10 Marks)**

Ans. Research in market must have certain objectives. Basic objectives of market research are

i. To know about the persons who buy company product :

This will include the number of persons who buy, the frequency of their buying, their regional location and the social category of the buyer.

ii. To find out the impact of promotional efforts.

Research in this will enable the researcher to find out strength and weakness of the promotional mix.

iii. To know customer response to the product :

The objective of this approach is to known what customer feels about the product and will help to determine the degree of satisfaction derived by the customer.

iv. To measure the effectiveness of channels, price policy and personal seeling

The research in this area will help to know the correct mode of selling products and their correct price.

v. To know the marketing cost and profit :

The main objective of this research is to get the valuable information about the distribution market cost.

vi. to study the external forces :

Research in this field will help the company to provide reliable information about the competitors moves and share of the market.

vii. To forecast :

Research in this field area will help the company to forecast the future of existing product and their future sales, demand etc.

viii. To explore :

Research in this area will provide the company to explore new market, new products and help to develop the new better and effective ideas.

ix. To determine overall effectiveness :

Market research measures the effectiveness of advertisement rules, promotion techniques, marketing policies, after sales service etc.

x. To keep close match : Market research will keep a business in touch with its market.

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Module - 5

9. a. Briefly explain the different government policies in SSI. **(10 Marks)**

Ans. The governments objectives and intention towards industries in general and small scale industries in particular have been made clear through industrial policy resolutions (IPR). These resolutions are

i. IPR 1948

After independence and under the influence of Mahatma Gandhi, the government understood the need to protect cottage industries and nurture them.

ii. IPR 1956

Here basically aimed at "protection plus development in a way, this resolution initiated the modern SSI in India.

iii. IPP 1977

Here aimed at "protection plus development plus promotion" of small scale business into 3 categories and defined them for promotion from purpose

a. Cottage and household industries

b. Tiny sector

c. Small scale industry.

iv. IPP 1980 :

The IPR, 1980 resolved the following with respect to small sector.

a. Increase in investment ceilings from Rs 1 lakh to Rs 2 lakhs in case of tiny units, from Rs 10 lakhs to Rs 20 lakhs in case of small scale units and from Rs 15 lakhs to 25 lakhs in case of ancillaries.

b. Promotion of village and rural industries to improve rural economy as well as to be compatible with the environment.

v. IPR 1990 :

The resolutions are

a. The investment ceiling for small scale industries was raised from Rs 35 lakhs to Rs 60 lakhs.

b. Correspondingly for ancillary units it was raised from Rs 45 lakhs to Rs 75 lakhs.

c. As many as 836 item were reserved for exclusive manufacture in small sector.

d. To help technology upgradation in SSI, the government started small industries development organisation (SIDO)

e. Small industries development bank of India was started to extend credit facilities for SSI was started to extend credit facilities for SSI.

f. Special cells were created in SIDO to encourage the youth as well as women a entrepreneurs.

vi. IPR - 1991 :

With the opening of Indian economy under narasimha Roa in 1991, then government cameout with a new IPR called "the new small enterprise policy 1991". The features of this policy are

a. Tiny industries were allowed to come anywhere in the industries.

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b. Partnership act was amended to suit SSI
c. Better market promotion of SSI products was taken in.
d. An export development centre was opened in SIDO.

vii. Government policy resolution in 1999

a. Government took steps to improve investment limits.
b. A new union ministry of SSI was created to focus better attention on SSI.
c. The turnover limit for SSI was enhanced from 4 crores to 5 crores.
d. A national program to boost rural industrialization was announced, with a target of 100 clusters every year.

viii. Government policy resolution in 2003

a. 75 more items were de-reserved from SSI sectors
b. Lending rates to open SSI was reduced by 2%
c. More SIDBI branches were opened.
d. All India census of SSI was carried out.

b. What are different type of patents explain. **(06 Marks)**

Ans. Patents are classified into 3 types

1. Utility patents
2. Design patents
3. Plant patents

1. Utility patents : Patents granted for new products processes, machines, methods of manufacturing and composition of matter come under the category of utility patents. This is the most common patents bought by the inventors. It is granted for 17 years. The utility patents exclude most of botanical creations related to plant and agricultural use.

2. Design patents : Design patents are granted for any new or original ornamental design for an article of manufacture. Examples are shoe compares such as Reebok, Nike that have become more interested in design patents as a means of protecting their ornamental designs what is the most important element in the design patent is that it protects the appearance of article not the article itself.

3. Plant patents : Plant patent is granted for any new variety of plant that has been a sexually reproduce by an inventor. The new plants may be patented only when the inventor satisfies the patent office that the new plant did not exist in nature or in an uncultivated state plant patent provides the protection for 17 years.

OR

10. a. Explain all India institutions supporting entrepreneurs. **(08 Marks)**

Ans. All India institution supporting entrepreneurs are as follows

i. Small scale industries board (SSI)

SSI board is the appex non statutory advisory body constituted by the government of India to render advice on all issues pertaining to the SSI sector. It provides a forum to its members for interaction to facilitate cooperation and inter institutional linkages and to render advice to the government of the small scale industries.

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ii. National small industries corporation

It was set up in 1955 with a view to promoting, aiding and fostering the growth of small scale industries in the country with focus on commercial aspects of these functions. NSK continues to implement its various programs and projects throughout the country to assist the SSI units. The corporation has been assisting the sector through several schemes and activities.

iii. The khadi and village industries commission (KVIC)

It is a statutory body created by an Act of parliment in April 1937. The KVIC is supposed to do the planning , promotion, organization and implementation of programs for the development of khadi and other village industries in the rural areas in coordination with other agencies engaged in rural development wherever necessary.

iv. Small industry development organization (SIDO) :

It is an apex body established in 1954, for assisting the ministry in for mutating, coordinating, implementing and monitoring policies and program for the promotion and development of small scale industries.

v. Training institutes :

There are three national training institutes

1. National institute of small industry extension training (NISIET) Hyderabad.
2. National institute for entrepreneurship and small business development
3. Indian institute of entrepreneurship (IIE), Guwahati.

b. Write short notes on fund based institutions. **(08 Marks)**

Ans. Fund - based institution supporting entrepreneurs are

1. Small industries development bank of India (SIDBI) :

It was established in 1990 as the apex refinance bank. The SIDBI is operating different programs and schemes through 5 regional offices and 33 branches offices. The financial assistance of SIDBI to the small scale sector is channelized through the two routes direct and indirect.

2. Commercial banks : Credit requirement of SSI's is basically of two types long term loans and working capital commercial banks with their extensive network of branches operating nation wide are primary channel for working capital requirement banks are required to compulsory ensure that defiend percentage of their overall lending is made to priority sectors are classified by RBI with the liberalization of the Indian economy the credit needs. Intiatives taken by RBI are

a. Credit for tiny sector has been earmarked within overall lending to small industries.

b. Public sector banks have been advised to operationalize more specialized SSI branches at centers where there is a potential for financing many SSI borrowers.

c. Single window scheme was extended to all districts to meet the financial requirements.

d. Composite loan limit was enhanced to RS 30 lakhs from Rs 25 lakhs.

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iii. State fianancial corporation (SFCs)

SFC Act 1931 was bought into force to enable all the state governments to set up state financial corporations as regional development banks. A SFC has a board of directors a managing director and an executive committee. A SFC can open its office at different places within the state. Following assistance is provided to small scale and medium scale undertakings.

a. Providing long-term finance to industrial enterprises having sole proprietary, partnership company and co-operative society form of business organization.

b. Subscribing equity and debentures of industrial enterprises.

c. Providing financial assistance to small and medium enterprises engaged in service sector.

d. Provide working capital loans and meeting various short - term needs of their clients.

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Fifth Semester B.E. Degree Examination

CBCS - Model Question Paper - 2

MANAGEMENT AND ENTREPRENEURSHIP FOR IT INDUSTRY

Time: 3 hrs. Max. Marks: 80

Note : *Answer all FIVE questions, selecting ONE full question from each module.*

Module - 1

1 a. Explain the functional areas of management **(10 Marks)**

Ans. There are five essential and well accepted functions of management. They are

- Planning
- Organising
- Staffing
- Directing
- Controlling

i. Planning : It is executive function that is referred to as decision making. It involves missions and objectives and the actions to achieve them. This required decision making i.e., choosing future courses of action from available alternatives. This involves the following.

- Setting short and long term goals for organization.
- Selecting objectives, strategies and policies for accomplishing the planned goals.
- Deciding in advance what to do,how to do, who has to do, when to do and where to do.
- Planning bridges the gap from where we are now to where we want to be in future.

ii. Organising : It is part of management that involves in establishing an intentional structure of roles for people to fill in an organization.

To organize a business well, it is required to provide all the useful things for its proper functioning. The purpose of an organization structure is to help in creating an environment for human performance. This involves in

- Determination of activities required to achieve goals.
- Grouping these activities into department.
- Assignment such groups of activities to managers.
- Forming delegation of authority.
- Making provisions for coordination of activities.

iii. Staffing : Staffing is considered as an important function which makes provision for man power to fill different positions. It involves in building the human organization by filling and keep filling the staff. This involves in

- Finding the right person for right job.
- Selecting the personnel.
- Placement, training and developing new skills required for present and future jobs.

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- Creating new positions.
- Apprising the staff and planning their growth and promotions etc.

iv. Directing : Directing involves three sub functions namely communication, leadership and motivation. Communication is the process of passing information and understanding from one person to another. Leadership is the process by which a manager guides and influences to work of his subordinates. Motivation means arising desire in the minds of employees of an organization to perform their best.

v. Controlling : Controlling is measuring and correcting of activities of subordinates to make sure that the work is going on as per the plans. Controlling refers to the measurement of achievement. This involves three elements.

- Establishing standards of performance
- Measuring performance and comparing with established standards.
- Taking necessary corrective actions to meet the set standards.

b. What are the different types of plans. **(06 Marks)**

Ans. Based on nature of planning, the planning is classified as strategic planning and tactical planning.

Strategic planning : These are done at top level of management and are generally long term plans. It consists of major goals and policies of an organization and resources and facilities to accomplish the goals. It is less detailed focusses only on long term goals. It is more uncertain.

Tactical planning : It is done at lower level of management and are short term in nature. It consists of use of facilities and resources. It is more detailed since it cuters to day to day on performance and is less uncertain.

Based on their use, plans are classified as single use plans and standing plans.

- Single use plans are developed to achieve a specific and after reaching that target, that plan becomes useless.
- Standing plans are designed for situations that offer repeat. These plans can be used again and again. These are the policies , procedures, rules and methods of any organization.

i. Policies : Policy is a implied overall guide, setting up boundaries that supply the general limits and direction in which managerial actions will take place thus a policy is a general guideline for decision making. They deal with "how to do" the work.

ii. Procedures : Procedures are the detailed guidelines that are used to carry out the policies. A procedure provides a detailed set of instructions for performing a sequence of actions involved in doing a certain piece of work. Procedures are to be followed every time when the activity is performed.

iii. Rules : Rules are detailed and recorded instructions that a specific action must or must nor be done under the given instructions. A rule is different from a policy or procedure. Since it does not give a guide to thinking , it is not a policy.

iv. Methods : A method is prescribed way in which one step of a procedure is to be carried out. Thus a method is a port of procedure is to be carried out. Thus a method is a part of procedure. A procedure has a number of steps, each step may have number of methods to do it. Methods help in increasing the effectiveness of a procedure.

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OR

2. a. **Explain nature and characteristics of organization.** **(06 Marks)**

Ans. The nature and characteristics of organization

1. Organization is made of group of people :

An organization comes into existence when a group of people come together to work for a common cause.

2. Organization aim at common goals and not personal goals :

It provides the basis for co-operation among members of the organization.

3. Organizations have both horizontal and vertical relationships :

An organization creates co-operative relationships between different departments as well as between superiors and subordinates.

4. Organization establishes authority or chain of command

An organization establishes clearly the flow of authority from higher levels to lower levels, thereby forming a chain of command or a hierarchical chain.

5. Dynamics of organization :

Since an organization is primarily made of people, there exists interaction based on sentiments, attitudes and behaviour of individuals and groups.

b. **Explain briefly the line organization with advantages and disadvantages.** **(10 Marks)**

Ans. The line organization gradually developed to shape as the line and staff organization. As the industry grew in size and complexity, the line executives could not perform properly all other functions such as R & D planning, quality control etc. this necessitated the employing of special executives to assist line executives and they were known as staff as they were recruited to perform staff or specialist functions. Line authority gives a supervisor a line of authority and control over a sub ordinate while nature of the staff relationship is advisory. The function of people in a pure staff capacity is to investigate, research and give advice to line managers to whom they report. The final decision whether to whom they report. The final decision whether to accept implement the recommendation of the staff executives remains in the hands of the line executive.

Advantages :

- Expert advise from specialist staff executive can be made use of
- Line executives are relieved of some of their loads and are thus able to denote more attenuation towards production.
- Less wastage of material, man and m/c hours
- Quality of product is improved.
- There is no confusion as exists in functional organization.
- Line and stand organization possesses practically all the advantages of both the line and functional organization.
- It provide greater chances of advancement to able employees by making more jobs available.

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Disadvantages :

- Product cost will increase because of high salaries of staff executives.
- Line and staff organization may bring in confusion in case functions are not clear.
- Friction and jealousies will develop between staff and line executives and may cause harm to enterprise.
- If line executives start depending too much on staff executives, they may loose their initiate.
- Complex in nature
- May not be effective for small organization.

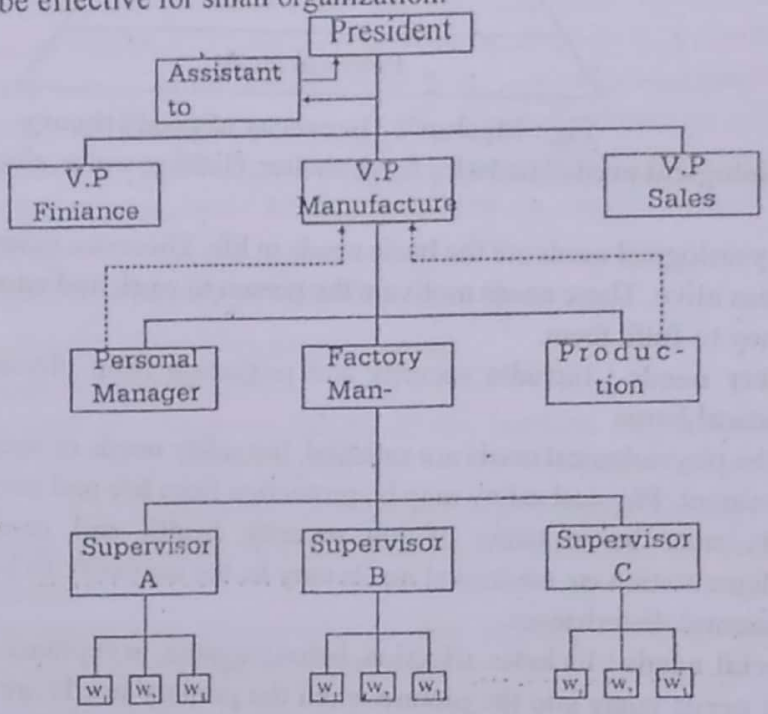

Fig : Line and staff organization

Module - 2

3. a. Explain briefly the Maslow's hierarchy of needs theory. **(10 Marks)**

Ans. Maslow's hierarchy of needs theory :

Abraham maslow's need hierarchy theory. Published in 1943, is one of the most popular theories of motivation. According to him, the behaviour of an individual is determined by his strongest need at a particular moment. Needs that are not satisfied influence his behaviour. But the needs once satisfied do not serve as a motivator. According to Maslow, all human needs can be arranged in an order of priority.

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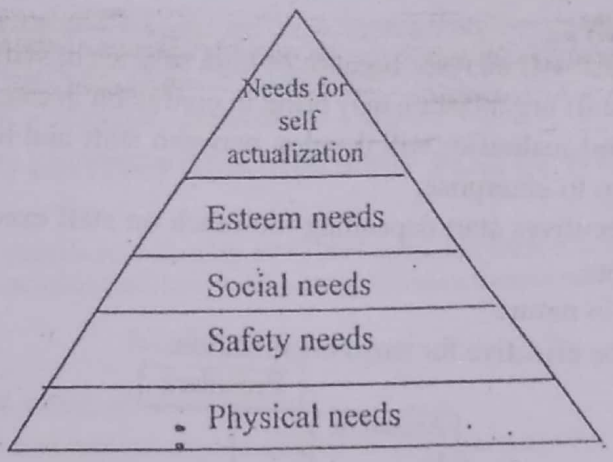

Fig : Maslow's Hierarchy of needs theory

i. Physiological needs : Includes food, shelter, clothing water, sleep and other bodily needs.

The physiological needs are the basic needs in life. These are essential for everybody to remain alive. These needs motivate the person to work and earn sufficient amount of money to fulfil them.

ii. Safety needs : Includes security and protection from physical, emotional and economical harm.

Once the physiological needs are satisfied, the safety needs or security needs become predominant. Physical safety may be protection from fire and accidents. Economical security may be in terms of job security, health and insurance programme, reimplementation etc emotional needs may be the necessity to be happy and be free from mental disturbances.

iii. Social needs : Includes affection, belongingness, acceptance and friendship.

Social needs come into the picture when the primary needs are taken care of since man is a social animal, he has to interact with the society and live with respect in society. He desires to love and be loved, accept others and be accepted, show affection and be shown affection an so on. Social needs make his work enjoyable.

iv. Esteem needs : Includes self - respect, autonomy, status recognition, responsibility, attention, achievement, prestige etc.

Esteem needs represent an individuals concern for feeling important and be respected by others. These needs are primarily satisfied by the individuals themselves. However, the management may create a proper climate to fulfil these needs.

v. Self - actualization needs : Includes self - advancement self - fulfilment, self - development, self - realization etc. Self - actualization is the highest level need in Maslow's hierarchy. It is the desire to become what is one is capable of becoming. It is the desire to realize one's own potential. In an organization, a person attempting to satisfy these needs seeks challenging work and looks for opportunities for personal growth.

According to Maslow, if a lower level need is satisfied a higher level need emerges. this goes on till the highest level needs are satisfied. This theory of human motivation by Maslow has been landmark is the field of management. It has been also criticized

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on the following grounds.

i. Needs of every person may not follow Maslow's hierarchy

ii. Most of the human needs are recurring and are never satisfied fully indeed.

iii. Most of the needs co-exist and there is no such hierarchy whats over.

iv. Boundaries between different levels of needs may be hazy and overlapping.

v. Although behaviour depends on need, or the lack of it, it may not be fully dependent.

vi. The concept of self actualization is theoretical and academic no person can ever know his maximum or best potentials.

b. Define co-ordination? What is importance of co-ordination. **(06 Marks)**

Ans. Co-ordination refers to the orderly arrangement of individual and group efforts to ensure unity of action in the realization of common goals.

Importance of co-ordination

i. Co-ordination increases efficiency

Co-ordination helps minimizing wastages, overlapping and duplication of work, misuse of resources etc and thus increases efficiency and economy in the organization.

ii. Co-ordination improves human relations :

With co-ordination, members begin to work, understand and adjust with each other, develop mutual trust and cooperation and probably move closer to each other. All these help improve human relations.

iii. Co-ordination resolves conflicts :

Conflicts in organization arise usually because of difference between organizational goals and individual goals.

iv. Coordination makes all departments focus together

Without co-ordination, each department tends to look only at its needs and necessities without caring for other departments.

v. Co-ordination helps sharing of resources :

In any organization, there is always a shortage of resources such as manpower, finance space, transportation etc co-ordination is the only way to ensure the best distribution of resources among all individuals and departments of the organization.

vi. Co-ordination retains and attracts talent

Naturally talented youngsters are attracted to join such organization.

OR

4. a. Explain the sources of recruitment. **(06 Marks)**

Ans. Sources of recruitment :

- **Applications introduced by friends and relatives**

Often the employees introduce their relative application to find a good job for them.

- **Consulting agencies :** A consulting agency is commonly utilised to find specialised executive personnel.
- **Campus recruitment :** As a large numbers of management institutes like IIM, IIT etc are engaged in giving the professional training, many companies find it easier to pick up the best talent straight from the institute to fill its managerial position.

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- **Casual callers :** Sometimes on his own initiative , the applicant sends his application for the job. The personnel office keeps the record of applications and the suitable candidates can be selected from the callers.
- **Through advertisements :** Companies advertise in the newspaper for their vacancies. Generally the senior posts are filled by promotions.
- **Field trips and college recruitment :** This method is being used for private industrial firms.
- **Employment exchange :** The recruitment is also done through the employment exchange of the persons who are enrolled in the exchange.

b. Explain Mc Gregor's theory x and through y. Compare theory x and theory y. (10 Marks)

Ans. Mc Gregor's proposed two distinct views of human beings one basically negative called theory x and positive labelled theory y.

Theory x : Theory x is a traditional approach to management which is based on old time honoured assumptions about human behaviour. This theory suggests that management must coerce or threaten its employees to accomplish work. Further, decision making is the exclusive domain of the management and the workers have to just follow the decisions made for them. Theory x prevails in labour intesive organizations where workers are mainly illiterate and ill informed.

Theory y : Theory y is a modern approach to management. This theory suggests that management need not coerce or threaten its employees to accomplish work. It assumes that people are literate, welt informed, intelligent and competent to participate in management with zeal and enthusiasm to satisfy their higher levels needs. The management actually attempts to help their employees to develop and mature by giving them more responsibility and freedom. This theory aims at creating opportunities, removing obstacles encouraging growth and providing guidance for higher output.

Theory y generally prevails in almost all modern day private business establishment.

Theory x	Theory y
1. People are lazy	1. People are active
2. People dislike work and avoid it if they can	2. People like work, work is as natural as playing as resting
3. People do not accept responsibilities	3. People are ready to accept responsibilities without tear
4. People are not achievement oriented	4. People are achievement oriented
5. People are self - centered	5. People are soical
6. Motivation occurs for only lower order needs	6. Motivation occurs for both higher and lower order needs.
7. People prefer security in 30b and display less ambition	7. People prefer challenging work and highly ambitious

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Module - 3

5. a. **What is the role of entrepreneur in economic development.** **(06 Marks)**

Ans. Entrepreneurs play an important role in the economic development of any country. The role of entrepreneurs in shaping the economic development are as follows :

1. Entrepreneurs help create business organizations by mobilizing the savings of public.
2. They provide large scale employment which reduces the unemployment problem in the country.
3. They promote industrialization in rural areas and reduce regional imbalances.
4. They cause equitable distribution of wealth and income in many cases.
5. They help reduce cover independence on agriculture by rural people.
6. They encourage learning and usage of skills which might otherwise remain unutilized.
8. They increase forex reserves of the country by exporting their goods and services.
9. Successful entrepreneurs become icons and can inspire a whole new breed of entrepreneurs.
10. They are basically change agents.

b. **What are the barriers of entrepreneurship.** **(06 Marks)**

Ans. **1. Environmental barriers :**

a. Raw materials : Non availability of raw materials for production, especially during peak season, is a very barrier.

b. Labour : Human resources is the most important resource in any organization.

c. Machinery : Machinery becoming absolute and the need for their maintenance and upgrading.

d. Land, building and infrastructure : These go a long way in deciding the fortunes of the company and the lack of good facilities.

2. Financial Barriers :

a. Finance is the life blood of any organization if there is no proper flow of finances both in company and in the country, there are bound to be problems.

b. There are plenty of successful small business in India. But the entrepreneurs lack the will and the strength to scale up their operations.

3. Personal Barriers :

a. Lack of self - confidence : This is very big emotional barrier to an individual.

b. Lack of motivation : In the beginning all entrepreneurs are enthusiastic about their projects. But they may lose interest especially in the face of challenger.

c. Lack of patience : This barrier is more dominant among youth entrepreneurs. When things do not go as expected they may lose interest because of lack of patience.

d. Inability to invest in R & D and innovate :

This is one of the greatest barriers of Indian entrepreneurs.

4. Social barriers :

Religious and conservative attitudes of the society can inhibit entrepreneurs.

c. **Explain the social feasibility study.** **(04 Marks)**

Ans. Social feasibility study is important in the social environment

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i. Location : The location is in such a place that is should not have objection from the neighbours.

ii. Social problem : The enterprise should not create any nuisance to the public.

iii. Pollution : There should not have any sort of noise or other pollution objectionable society.

iv. Other problem : Any other problems related to the society and people are to be studied.

OR

6. a. Explain the characteristics of entrepreneur. **(06 Marks)**

Ans. An entrepreneur is a highly goal oriented, enthusiastic and energetic individual. A good entrepreneur should posses the following characteristics.

i. Action - oriented, highly motivated and ready to take risk at all levels to achieve the goal.

ii. Should have unwavering determination and commitment.

iii. Creativeness and result oriented, hard working

iv. Accepts responsibilities with enthusiasm.

v Self confident, dedicated and self disciplined

vi. Future vision, intelligent, imaginative and self directed.

b. What the functions of an entrepreneur. **(10 Marks)**

Ans. Functions of an entrepreneur :

Primary functions	Other functions	Functions important for developing countries
1. Planning	1. Diversification of production	1. Management of scarce resources
2. Organising	2. Expansion of the enterprise	2. Dealing with public
3. Precision making	3. Maintaining cordial employment and employee relations	3. Engineering
4. Management	4. Talking labour problems	4. New product development
5. Innovation	5. Coordination with outside agencies.	5. Parallel opportunities
6. Risk bearing		6. Marketing
7. Leading		7. Management
8. Controlling		8. Customer relation

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Module - 4

7. a, **How the project selection is done explain.** (05 Marks)

Ans. Project selection starts from where project identification ends. Points to be considered in selection of a project are listed as follows .

i. Technology : The technology required to develop the project should be available within or preferably available indigenously. It makes life easier to start technology through foreign collaboration.

ii. Equipment : The availability of equipment should be studied. The entrepreneur should select the best equipment available for the project.

iii. Investment size : The study of investment required is to be made rationally and accurately wrong estimation may lead to shortage of funds in the middle or towards the end of project

iv. Location : Suitable location of project is very importat. The entrepreneur should locate the project where resources and raw material are available,

v. Marketing : The product should be marketable one should estimate the correct reliable demand and market share for this product.

b. **What are the contents of the project report.** (11 Marks)

Ans. The following are the contents of a good project report.

i. General information : The report should contain general information regarding the comparing, product profile and product details and specifications.

ii. Promoter : The details of promoter, name, educational , qualifications, work experience, project related experience etc are to be provided.

iii. Location : Details like exact location of project lease or own, location advantages etc are to be indicated.

iv. Land and building : Details of area of land, built up area, type of construction, cost of construction and estimate are to be included.

v. Plant and machinery : Details of machinery required, their capacities suppliers, cost , various alternatives etc, are to be included.

vi. Capital requirement and cost : Information about all items of costs should be carefully collected and presented.

vii. Operational requirement and cost : Information about operational costs should be presented. They include cost of row materials and maintenance over heads etc.

viii. Production process : Description of production , process chart technical know how, alternative technologies etc are to be provided.

ix. Raw material : List of raw materials required, its quantity and quality, sources of supply , cost etc are provided.

x. Man power : Details of man power required, skilled semi skilled, sources of man power supply, cost of manpower and cost of training it required are provided.

xi. Products : Products produced, by-products, product mix, product quality and standard etc are to be mentioned.

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xii. Market : Target users, distribution channels, selling price, trade practices, sales promotion and estimated sales are to be included.

xiii. Economic analysis : Profits, return on investment, break even, market share, exporting etc are made and included.

xiv. Working capital : Requirements of working capital, source of working capital, nature and extent of credit facilities available, offered and required are to be provided.

xv. Requirement of funds : Break-up of project cost in terms of cost of land, buildings, machinery, miscellaneous assets, preliminary expenses and working capital are to be included.

OR

8. a. Give the general set of information given in project report. **(10 Marks)**

Ans. A general set of information given in project reports is listed below.

i. General information :

The general information to be included in the report are

a. Biodata of promotor : Name and address, qualification general experience in proposed area of project of the entrepreneur and his partners if any.

b. Industry profile : A reference of analysis of industry to which the project belongs.

c. Constitution and organization : The constitution organizational structure of the enterprise, in case of partnership firm, its registration with the register of firms.

ii. Project description :

A brief description of the project covering the following aspects is given in the project report.

a. Site : Location of an enterprise, owned or leasehold land, industrial area, no objection certificate from municipal authorities etc.

b. Physical infrastructure : Availability of infrastructure like raw materials and skilled labour.

c. Utilities : The details of utilities like : power, required, requirement of fuel and water should be clearly stated in the project report.

d. Pollution control : The points like nature and scope of dumps, sewage system, emissions if any are to be mentioned.

e. Communication system : Details of availability of communication facilities like telephones, teletax etc.

f. Transport facilities : Requirement of transport, mode and need of transport are to be included.

g. Machinery and equipment : A complete list of machinery and equipments required indicating the specifications and features are to be furnished in report.

h. Capacity of plant : The installed and licensed capacity of the plant along with details of shifts requirements should be mentioned.

i. Technology selected and R & D activity : The technology selected, source of technology and know how any research and development activity proposed in future are to be included.

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iii. Market potential : Details like the projected market potential, demand and supply situation, projected price, marketing strategy are to be provided in the report.

iv. Capital costs and sources of finance : Detailed estimates of various capital items like and buildings, plant , machinery, cast of installation are to be mentioned in the report.

v. Assessment of working capital requirement : The requirement of working capital with sources of supply should be clearly stated in the report.

vi. Other financial aspects : Like cost of production, projected profit, expected sales, revenue , projected profit and loss account, cash flow statement should be presented in the report.

vii. Economic and social variables :

As a part of social responsibility, any damage to the society and the cost to control such damages, requirement of pollution control are to be mentioned in the report.

viii. Project implementation : At the end, details of schedule of implementation of the various tasks of the project are to be included.

b. Explain the sources of finance. **(06 Marks)**

Ans. Sources are classified into two sources.

i, Internal sources ii. External sources

i. Internal sources : Under this source, funds are raised from within the enterprise itself. The internal sources of financing could be owner's capital known as equity, deposits and loans given by the owner, the partners, the directors as the case may be to the enterprise. One source of raising funds internally may be personal loans taken by the entrepreneur on his / her personal assets like provident fund, life insurance policy, buildings, investments etc. In addition to these, in case of a running enterprise, funds could also be raised through the retention of profits or conversion of some assets into funds. However, the scope for raising funds from internal sources particularly in the case of small - scale enterprise remains highly limited.

ii. External sources : Funds raised from other than internal sources are from external sources. The external sources usually include the following.

1. Deposits or borrowings from relatives and friends and others.
2. Borrowings from the banks for working capital purposes.
3. Credit facilities from the commercial banks.
4. Terms - loans from financial institutions.
5. Hire - purchase or leasing facility from the national small industries corporation and SSICs.
6. Seed/ Margin money, subsidies from the government and the financial institutions.

It now lump both the sources together, these can broadly be classified as follows :

- Personal funds or equity capital
- Loans from relatives and friends
- Mortgage loans
- Term loans
- Subsidiaries

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Module - 5

9. a. Explain briefly SSIDC in detail. **(06 Marks)**

Ans. Under the companies act, SSIDC were started in 1956 in all the states. These state government undertakings take care of the growth and development needs of village industries, tiny industries and small industries. The main functions of SSIDC are as follows.

i. Procurement and distribution of scarce raw material.

ii. Supply of machinery on hire - purchase basis.

iii. Providing assistance for marketing of the products of small scale units.

iv. Construction of industrial estates / sheds, providing allied infrastructure facilities and their maintenance.

v. Extending seed capital assistance on behalf of the state governments.

vi. Providing management assistance to production units.

A change in the role of SSIDCS has been prompted by the new industrial policy. SSIDs are gearing up to change themselves, from raw material distributors to organizations that will take care various aspects of small industry development, especially marketing. SSIDCs thus help the tiny and small industries increase their market share.

b. Explain objectives and problems of SFCs. **(10 Marks)**

Ans. Objectives of SFCs :

- To provide term loans for purchase of land, buildings, machinery and other facilities.
- To promote self employment for professionally qualified men and women entrepreneurs interested in starting their own projects.
- Financial assistance for expansion, modernization and mechanization in the existing setup.
- To give financial assistance for promotion of rural industries, cottage industries and urban service centers.
- To provide financial assistance for transport vehicles and tourist related activities.
- To arrange entrepreneurial development programmers and seminars for up coming young industrialists.
- To provide financial assistance for quality improvement and environmental control needs.

Problems of SFCs :

- Since SFC's are started by respective state governments the usual problems of state bureaucracy of procedures, delays, castism and favoritism do occur.
- In the state offices problems of corruption and other mal practices continue to bother the applicants
- In case of repayments very strict procedures are followed and units are sealed.

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OR

10. a. Briefly explain about trademarks in IPR. **(10 Marks)**

Ans. Trademark : A trademark is any word, name, symbol or any combination there of adopted and used by the manufacturer or merchant to identify his/her goods and distinguishes them from those manufactured or sold by others.

Functions of trademark :

Trademark law is based mainly on two concepts distinctiveness and deceptive similarity. Trademark performs functions.

1. Identifies the product and its origin.
2. Guarantees its unchanged quality.
3. Advertises the product
4. Creates an image for the product

Categories of trademarks :

The protection awarded is dependent on the character of the mark itself. There are four categories of trademark.

1. Coined marks : Denote no relationship between the mark and the goods or services and afford the possibility of expansion to a wide range of products.

2. An arbitrary mark : Is one that has another meaning in our language and is applied to product or service.

3. A suggestive mark : is used to suggest certain features, qualities, ingredients or characteristics of a product or service. It differs from an arbitrary mark in that it tends to suggest some attribute of the product or services.

4. A descriptive mark : must have become distinctive over a significant period of time and gained consumer recognition before it can be registered.

Benefits :

- It provides notice to everyone that have exclusive rights to the use of the mark through out the territorial limits for the country.
- It establishes incontestable rights regarding the commercial use of the mark.
- It establishes the right to deposit registration with customs to prevent importation of goods with a similar mark.
- It entitles one to use the notice of registration.
- It provides a basis for filing trademark application in foreign countries.

Registration of trademark :

Registration of trademark involves a process of consisting of three stages as follows

1. Written application : The registration process of trademark starts with submitting an application in the patent office in the standard form. The applicant needs to provide the conventional information partners and company officers, partners, owners of firm or association officers and is motorized.

2. Drawing preparation : At this stage, a formal drawing on a good quality white paper using permanent black India ink is prepared. Drawing preparation does not require any engineering credentials of skills. The applicant simply need to provide an accurate and clear drawing of the mark he/she wishes to protect.

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3. Specimen preparation : The applicant needs to prepare the five specimens of actual trademarks or facsimiles and submit the same with the application. Facsimiles are allowed because actual specimens can seldom filed in a folder. But specimens and facsimiles must be capable and also fit onto a legal size format.

b. List the functions of DICs. **(06 Marks)**

Ans. Function of DICs

- To conduct industrial potential surveys.
- To prepare tech no - economic surveys
- To prepare an action plan to effectively implement the schemes identified.
- To guide entrepreneurs in matters relating to selecting the most appropriate machinery and equipment for raw materials etc.
- To appraise the worthiness of the various proposals received from entrepreneurs.
- To assist the entrepreneurs in marketing their products.
- To conduct artisan training programs
- To function as the technical arms of DRDA in administering IRDPs and TRYSEM programmers.

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Fifth Semester B.E. Degree Examination

CBCS - Model Question Paper - 3

MANAGEMENT AND ENTREPRENEURSHIP FOR IT INDUSTRY

Time: 3 hrs. Max. Marks: 80

Note : *Answer any FIVE full questions, selecting ONE full question from each module.*

Module - 1

1 a. **What are the roles of management. Explain briefly.** **(10 Marks)**

Ans. Manager in any organization plays variety of roles responding to a particular situations. The 3 important roles played by a manager are

1. Interpersonal roles :

i. Figure head : In this role, a manager is seen as a person representing the organization in formal matters serving as a symbol of the organization.

ii. Leader : Here he is busy encouraging and motivating employees. He takes initiative and is at the fore front of any activity.

iii. Liaison : In this role, he connects the outside world to the inside world.

2. Informational roles :

i. Monitor : As a monitor, a manager solicits and receives information from various sources on matters concerning his organization.

ii. Disseminators : Here a manager is transmitting information within the organization.

iii. Spokesman : This is about transmitting information to people outside the organization

3. Decisional roles :

i. Entrepreneur : As an entrepreneur, a manager initiates projects to improve the organization, encourages new ideas and innovations.

ii. Disturbance handler : A manager also has to do fire-fighting and conflict handling. He has to handle all kinds of disturbances that occur within the organization.

b. **Write short notes on scope of management.** **(06 Marks)**

Ans. The scope of management basically means the broad areas of concern of human beings. The scope of management is very wide but can be combined into three distinct ideas.

i. An economic resource

ii. A system of authority

iii. A class or elite

i. Management as an economic resource :

In modern organizations, the management depends to a great extent on the quality of management. According to newman, management is required to convert the disorganised resources of men, materials , money and machinery into productive, useful and meaningful output. In this sense management is an economic resource.

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ii. Management as a system of authority :

Management is a rule making and rule enforcing body. It is bound together by a web of relationships between superiors and subordinates. People are bound by authority relationship rather than any other kind of relationship. It means authority than people working at lower levels.

iii. Management as a class or elite :

Managers constitute a class of professionals who are considered elite all over the world, but even more prominently in a country like India. Sociologists view management as a distinct class in society having its own value system. The managerial class has become very important in modern organisation owing to its contribution to business success.

OR

2. a. Differentiate between strategic and tactical planning. **(05 Marks)**

Ans.

Strategic planning	Tactical planning
1. It is long term	1. It is short term
2. Done at top management	2. Done at lower levels of management
3. It consists of major goals and policies of an organization	3. It consist of use of facilities and resources
4. It is less detailed, focuses only on long term goals.	4. It is more detailed since it caters to day to day operations.
5. It is based on long term goals and is more uncertain	5. It is based on performed and it is less uncertain

b. What is the purpose of an organization. **(05 Marks)**

Ans. The basic purpose of having organization is to formulate a frame or structure of an enterprise with a view of fulfil the enterprise tasks. The purpose includes following logical components.

i. Establishes the pattern of relationship by giving duties and responsibilities to an individual or group.

ii. Demarcates the authority, responsibility and duties of each individual or group.

iii. It tells each manager where his accountability lies and who are in his sphere of command.

iv. Provides adequate communication.

v. Coordinates or integrates and controls the activities of individuals or group to achieve common objectives or objectives of the enterprise.

c. List the advantages of staff organization. **(06 Marks)**

Ans. Advantages of staff organization :

- It is a logical reflection of fucntions.
- Quality of work is improved.
- Simplifies training.
- Furnishes means of right control at top

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- It relieves pressure of need to search a large number of all round executives.
- If facilitates mass production, through specialisation and standardization.
- It ensures a greater division of labour.

Module - 2

3. a. **Explain the nature of directing.** (05 Marks)

Ans. The nature or features of directing are as follows :

1. Directing involves human factor :

Direction basically deals with people. It is involved in the management of human behaviour. Directing aims at creating co-operaiton and harmony among the members of a group so as to work towards achieving goals.

2. Directing is a continuous function :

Directing is a dynamic and continuous activity of managers. It is an on - going activity where in the managers are expected to direct, guide, teach, motivate and lead their subordinates an continuous basis.

3. Directing provides a link :

Directing provides a key link between planning and staffing on ne side with co-ordination and control on the other side. It serves as a connected and activating link among all the managerial functions.

4. Directing concentrates on performance :

Directing is a creative function which makes thing happen. Ittranslates plans into performance. It makes people result - oriented. Directing clears the doubts employees and gives them conviction to move forward.

5. Directing is all pervasive :

It means directing as an activity exists at all level of an organization and across all departments. The supervising activity will go backward indirection.

b. **What are the techniques used to establish control.** (11 Marks)

Ans. The various techniques involved in establishing control are

i. Traditional control techniques

ii. Modern control techniques

iii. Other control techniques

i. Traditional control techniques

1. Budgetary control :

Budgets are nothing but written plans or programs of the future activities expressed in monetary terms.

2. Standard costing : It is a method of estimating the right cost or the most efficient cost of manufacturing a product. During actual production, if the corrective measures are taken to reduce the cost of production.

ii. Modern control techniques :

1. Break- even analysis :

It involves understanding the costs involved in producing in order to make a particular profit. It is generally used by

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- To find the effect of varying selling price upon profit.
- To find the effect of fixed costs and variable costs upon profit.
- To find the minimum production required to bear even i.e., no less no profit.
- To find what quantity of production leads to what total costs.

2. **PERT :** Project evaluation review technique

3. **CPM :** Critical path method

4. **SQC :** Statistical quality analysis

This involves the application of statistical techniques to study deviation in actual performance against established standard. The results are analyzed and interpreted in order to help take corrective measures.

5. **Internal audit :** A audit is a systematic and impartial examination, analysis and appraisal of management overall performance. It is an independent and critical evaluation of the entire management process.

6. **MIS - Management information system :**

This is a computer based system that provided information and support for effective managerial decision making.

7. **Quality circles :**

It is a small group of employees who meet periodically to identify, analyze and solve quality and other work related problems in their area of operation.

iii. Other control techniques :

1. **Policies and procedures :** act as guidelines for managers to control behaviour and output of employees.

2. **Standing rules, limitation and orders :**

These act as important control devices. When sub-ordinates are given freedom to make certain decisions on behalf of superiors, it becomes necessary to lay down for them.

3. **Standing rules, limitation and orders :**

These act as important control devices when sub - ordinates are given freedom to make certain decisions on behalf of superiors, it becomes necessary to lay down limits for them.

4. **Self control :** Each employee must exercise self - control and do what is expected of him.

5. **Disciplinary action :** It is a negative approach to controlling function but never the less necessary.

OR

4. a. **Explain Herzberg's motivation theory with criticisms of Herzberg's theory.** (10 Marks)

Ans. **The motivation :** Hy giene theory or the two - factor theory was proposed by frederick Herzberg in the year 1959. He carried out a survey on the experiences and feelings of a group of 200 engineers and accountants working in a few industries in pitsburgh, USA. He concluded that people had two categories of needs which are independent of each other and affect behaviour in different ways.

They were

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i. Hygiene factors
ii. Motivators

i. Hygiene factors : He found that certain factors did not motivate the employee when present on the job but their absence caused dissatisfaction. These factors were called Hygiene factors because they primarily prevented dissatisfaction just like hygiene conditions prevent sickness. These factors are

1. Company policy and administration
2. Supervision
3. Working conditions
4. Salary and status
5. Security in job and personal life
6. Interpersonal relationship with superiors and sub - ordinates.

ii. Motivators :

According to Herzberg, motivational factors are essential to provide job satisfaction and to maintain high job performance. Motivators act as stimuli to make people work hard voluntarily and be happy in the organization. Motivators or satisfiers include the following factors.

1. Challenging work
2. Responsibility
3. Recognition
4. Promotion opportunities.
5. Achievement
6. Job content

Herzberg said that these factors helped in increasing job satisfaction. However a decrease in these factors would lead to 'No Satisfaction' and not dissatisfaction. Motivators generally help attaining higher output by the employees. Herzbergs theory in a nut shell can be

i. Hygiene factors :

When absent - increase dissatisfaction
When present - prevent dissatisfaction

ii. Motivators :

When absent prevent satisfaction
When present - increases satisfaction

Criticism of herzberg's theory :

i. People may not be accurate in reporting their satisfying or dissatisfying experiences.
ii. A factor that causes dissatisfaction is one person may bring satisfaction to another.
iii. People are biased and they tend to credit themselves for successful events while blaming outside events for their failures.
iv. The theory does not measure the levels of satisfaction and dissatisfaction.
v. Over simplification of relationship between motivation and satisfaction.

b. Define communication and explain its importance. **(06 Marks)**

Ans. Communication : It is the sum of all the things a person does when he wants to create understanding in the mind of another.

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Importance of communication :
Communication is the means by which he persuades informs, motivates and leads his employees towards organizational goals. It is through communication that there is a transmission of information among employees.

2. Communication facilities planning :
Panning, the most important function of management, requires extensive communication a among the rank and file of the organization.

3. Communication helps in decision - making :
Managers rely heavily, on the quality and quantity of information that is available in order to take decisions.

4. Communication is the basis of co-ordination :
A good communication system is the basis of all inter-dependent activities. It is the foundation of all group activity.

5. Communication improves relationships :
Communication builds bridges of relationships between employees. It binds individual to a common purpose.

6. Communication improves morale and motivation :
When manager listen carefully to employee grievances and take necessary action, it improves the morale of the workers.

7. Communication is key to managerial efficiency :
Good communication skills is must for modern day managers. The success or the growth of a manager largely depends on his communication skills.

Module - 3

5. a. Write short notes on entrepreneurship in India. **(08 Marks)**

Ans. The growth and development of entrepreneurship in India over the ages can be traced as under.

1. Metal handicrafts have existed in the society even since pre-christan Era obviously being traded for profit.
2. In post - christen era, caste based business man created 'kharkhannas' while craftsmen formed associations called 'guilds' to produce and sell handicrafts.
3. In the modern era, the first traces of entrepreneurship was seen during the domination of British east India company.
4. Ranchod lal chotalal, a nagar brahmanm was the first Indian to think of setting up a textile manufactoring unit, in 1847, but failed in his attempt. He succeeded in his second attempt in 1861.
5. But before this, the credit for successfully starting a textile mill goes to another parsi in Bombay in 1854. This is was followed by Nawrosjee wadia who opened textile mill in Bombay in 1880.
6. Jam Shedjee Tata established the first steel industry in Jamshedpur in 1911. This was followed by the entry of Birla family which setup a Jute mill in 1919.
7. The swadeshi campaign called by Mahatma Gandhi, calling for using only Indian goods, gave a first wave of entrepreneurial activity in India.

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8. Post - independence, the socialist practices of the Nehres government actually helped Indian entrepreneurs by giving them protection from multinational companies.
9. Licenses, quotes , red tapes, high taxes, low productivity, black market, monopolies etc marked the first 40 years of Indian independence.
10. When the country economy, finally opened up in 1991, entrepreneurs of the likes of pramji subhash chandra etc came on the scene.

b. Explain the technical feasibility study. **(08 Marks)**

Ans. **i. Location of the project :** The data regarding the location of project is very important. It may be located in rural, urban or semi urban areas.

ii. Construction of factory, building, and its size : The construction details,, the nature /type of building and it size for the project are to be analysed.

iii. Availability of raw materials :
The study of availability of raw materials sources of supply, alternate sources, its quality and specifications cost etc are to be studied.

iv. Selection of machinery :
It is required to produced the intended product is to be carried out. The specifications are capacity, cost, sources of supply are studied.

v. Utilities : The detailed about availability utilities like water, gas , electricity, petrol, diesel etc are to be studied.

vi. Production capacity : Establishment off production capacity and utilization of production capacity are analysed.

vii. Staff requirement : Study and analysis of requirement of workers, technical staff and officers etc is to be made.

viii. Technical viability :
The technical viability of the opportunity is to be studied.

OR

6. a. What are the sources of business ideas. **(10 Marks)**

Ans. **i. Unfulfilled demand :** An unfulfilled demand will open doors to new products.

ii. Own idea : Once own creative idea can result in a business opportunity.

iii. Social and economic trends : Social and economic trends necessitate demand for new products.

iv. Magazines / Journals / Research publications : These forms a major role of ideas.

v. Government : Government also identifies and proposes ideas and give support for business purposes ideas and give support for business opportunities.

vi. Emerging new technology and scientific know how : Commercial exploitation of indigenous and imported technologies and know how is another source of opportunities.

vii. Charges in consumer needs : The needs of consumers charge giving rise to requirement of new business opportunities.

viii. trade fairs / Exhibitions : Trade fairs and technical exhibitions also offer wide scope for business opportunities.

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ix. Banks and government agencies : Commercial banks and government agencies encourage entrepreneurs by providing business opportunities, ideas, loan etc.

b. How entrepreneurs according to the type of business are classified (06 Marks)

Ans. **i. Business entrepreneurs :** These are individuals who conceive an idea for a new product or service leading to new business. He deals with product development, marketing and sales.

ii. Trading entrepreneurs : It is one who undertakes trading activities and is not concerned with the manufacturing work. He is engaged in only trading.

iii. Industrial entrepreneurs : It is generally a manufacturer who identifies the potential need of customers and tailors a product or service to meet the marketing needs.

iv. Corporate entrepreneurs : Demonstrates his innovative skill in organising and managing corporate undertaking.

v. Agricultural entrepreneurs : Undertake agricultural activities such as raising and marketing of crops, fertilizers and other inputs of agriculture.

Module - 4

7. a. Explain project Identification briefly. (10 Marks)

Ans. Project identification is concerned with collection of economic data, compiling and analysing it to identify the possibility of investment to produce the goods or service for making profit.

Project identification may come from one or other of the following ways.

i. Observation : Observation is one of the very important sources of project idea. The scarcity of a particular product or service may lead to the development of that. The available of raw material or skill may lead t an idea of utilizing them to produce goods. Observations of existing processes also sometimes leads to new project ideas.

ii. Trade and professional magazines : Trade and professional literature keeps a person in touch with latest developments and trends and also stimulate to develop new ideas.

iii. Bulletins of research institutions : R & D bulletins of some institutions also provide some new ideas based on the findings which are published in the bulletin.

iv. Government sources : Department publications of various departments of government also provide useful information that can help in identification of new project ideas.

The project ideas can be discovered from various sources. They are given below

i. Knowledge of potential customer need

ii. Watching emerging trends in demands for certain products.

iii. Knowledge about the government policy concessions and incentives list of items reserved for manufacture in SSIs.

iv. Ideas generated by concerned people

v. Scope producing substitute product

vi. Visiting trade fairs, exhibitions of new products etc.

vii. Competitor's product

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viii. Observation of market and similar products.

ix. Ideas given by friends and relatives based on their institution an observation.

All of these sources put together may give a few ideas about the possible projects to be examined as the final project. This process is known as opportunity scanning and identification.

b. Define Accounting ? What are the objectives of accounting. **(06 Marks)**

Ans. Accounting is the science of recording and classifying business transactions and events.

Objectives :

1. To maintain full and systematic records of business transactions :

Accounting is the language of business transactions given the limitations of human memory, the main objective of accounting is to maintain a full and systematic record of all business transactions.

2. To ascertain profit or loss of the business :

Business is run to earn profits. Whether the business earned profit or incurred loss is ascertained by accounting by preparing profit and loss account or income statement. A comparison of income and expenditure gives either profit or loss.

3. To depict financial position of the business :

Businessman is also interested in ascertaining his financial position at the end of a given period. For this purpose, a position statement called balance sheet is prepared in which assets and liabilities are shown.

4. To provide accounting information to the interested parties :

Apart from owner of the business enterprise, there are various parties who are interested in accounting information. These are bankers, tax authorities, prospective investors etc.

OR

8. a. Define project formulation? Give brief description of the project. **(08 Marks)**

Ans. **Project formulation :** It is the systematic development of a project idea for the eventual purpose of arriving at an investment division.

a. Site : Location of enterprise, owned or leasehold land, industrial area, no objection certificate from municipal concerned authorities etc.

b. Physical infrastructure : Availability of infrastructures like raw materials and skilled labour.

c. Utilities : The details of utilities like power required, requirement of fuel and water should by clearly stated in the project report.

d. Pollution control : The points like nature and scope of dumps, sewage system, emissions if any are to be mentioned.

e. Communication system : Details of availability of communication facilities like telephones etc.

f. Transport facilities : Requirement of transport, mode and need and need of transport to be included.

g. Machinery and equipment : A complete list of machinery and equipments

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required indicating the specifications and features, sources of supply etc.

h. Capacity of the plant : the installed and sensed capacity of the plant along with details of shits requirements should be mentioned.

i. Technology selected and R & D activity :

The technology selected, source of technology and know how any research and development activity proposed in future are to be included.

b. What are different types of reports in human resources. **(08 Marks)**

Ans. Terminations budget analysis :

This report provides a list of all employees who have terminated employment within a defined date range.

ii. Rehired terminations budget / analysis

This report provides a list of all employees who have been rehired within a defined date range, after a previous termination with the same employer.

iii. Turnover : /this report provides a monthly analysis of the number of terminated employees within a groups total active employee count for the specialized month.

iv. Paid leave analysis : This report provides a summary list of all employee paid leave accrual information, including type of plan, hours accrued etc.

v. Leave administration : This report provides information on employers placed on leave within a defined data range. Use this report to generate a list of employers on extended leave.

vi. EAN activity : This report provides an audit able trail of each EAN's activity from creation to completion including the time and user involved creation, submission, approval and completion.

vii. Employee change history :

This report provides display all changes made within a specific date range to a wide variety of employee field.

viii. Status change : Thus report provides a summary of all employee records where a specific type of account change has been executed within a defined date range. Use this report to identify accounts affected by specific types of data adjustments, including pay rate, job code, hire data or termination.

Module - 5

9. a. What are the key-features of IPR. **(06 Marks)**

Ans. Intellectual property rights is a valuable resource in the modern knowledge economy. The key features of IPR are

- Monitor patents in your industry. A patent counters monopoly rights on the inventor for a limited period of time.
- In case you do not have the financial strength or the organizational reach to do justice if to another company.
- Select a trademark that should be distinctive and appealing to the customers. Protect the trademark by regularly scanning the market for imitations.
- Guard against improper use of website content and potential liability inconnection with the website. This is important for e-commerce website.

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- Make sure employees realise their responsibility to protect confidential material such as product formulate, business process documents etc.
- Use non-disclosure agreements to ensure protection of confidential information.

b. What are the different objectives and functions of NSC. **(10 Marks)**

Ans. Objectives of NSC :

a. Providing machinery on hire purchase

b. Assisting, marketing and exports.

c. Enlisting SSI units for tender particpating in government purchases organising supply raw materials.

d. Raw materials of personnel/

e. Assistance in modernisation of the units.

Functions of NSIC :

- Financial assistance by way of hire purchase scheme for purchase of local and imported machinery.
- Provision of various equipments on lease basis.
- Assistance for marketing the produce is in the country and also to help in exporting the products of SSI units.
- Enlisting quality congestion good SSI units for sending enquires of government stores and purchase departments.
- Training of workers in various trades required for SSI units.
- Assistance in up-gradation of technology , processes and modernisation of plant and machinery.
- To make bulk purchases of important raw materials and distribute to SSI units at reasonable rates. This avoids speculation and exploitation by the traders.
- To develop industrial estates and testing facilities in the industrial areas.

OR

10. a. Define copyrights and discuss about objectives. **(06 Marks)**

Ans. Coyright : It protects original works of ownership. It gives an exclusive right to do or authorize others to do certain acts in relation to dramatic, musical, cinematography and sound recordings.

Objectives :

1. Encouragement to the original work : The main objective of the copyright act is to encourage authors, composers, artists and designers to create original works by rewarding them with the exclusive right for a limited period to exploit the worj for monetary gain. The publishers and authors of books are examples.

2. Protection to the origination : The objective of copyright law is also, in-essence, to protect the author or the creator of the original work from the unauthorized reproduction or exploitation of his / her materials. The right also extends to prevent others from exercising without authority any other literacy work, the right of translation, adapt-ion or abridgement. In the recent times, with the rapid advance

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of technology, copyright infringement in the form of piracy has become a serious problem of international in character. This is because the technological easy and cheap.

Owning to the international character of copyright various countries have joined to form conventions for the protection of copyrights owned by its nationals in other countries.

(10 Marks)

b. Explain SIDO briefly.

Ans. Small industries development organisations (SIDO) :

This organisation as the name suggest is mainly created for the development of various small scale units in different areas. SIDO is a model agency for identifying the needs of SSI units. Co-ordinating and monitoring the policies and programmes for promotion of the small scale industries. It undertakes various programmes of training consultancy, evaluation for needs of SSI and development of industrial estates. It various activities can be explained under different headings as follows.

a. Co-ordination activities of SIDO

i. To coordinate various programmes and policies of various state governments pertaining to small industries.

ii. To maintain relation with the central industries ministry, planning commission, state level industries ministry and financial institutions.

iii. Implement and co-ordinate in the development of industrial estates.

b. Industrial development activities of SIDO

i. Develop import substitutions for components and products based on the data available for various volume wise and value wise imports.

ii. to give essential support and guidance for the development of auxiliary units.

iii. To provide guidance to SSI units interns of costing, market competition and to encourage them to participate in the government stores and purchase tenders.

iv. To recommend the central government for reservoirs certain items to produce at SSI level only.

c. Management activities of SIDO :

i. To provide training, development and consultancy services to SSI to develop their competitive strategy,

ii. To provide marketing assistance to various SSI units.

iii. To assist SSI units in selection of plant and machinery, location, layout design and appropriate process.

iv. To help them get updated with various informations related to the small scaled industries activities.

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Fifth Semester B.E. Degree Examination, CBCS - Dec 2017 / Jan 2018

Management and Entrepreneurship for IT Industry

Time: 3 hrs. Max. Marks: 80

Note : *Answer any FIVE full questions, selecting ONE full question from each module.*

Module - 1

1. a. **Define Management? Explain the functional areas of management? (07 Marks)**

Ans. Management is the process of designing and maintaining an environment in which individuals, working together in groups.

Functional areas of management

There are five essential and well accepted functions of management. They are

- Planning
- Organising
- Staffing
- Directing
- Controlling

i. Planning : It is executive function that is referred to as decision making. It involves missions and objectives and the actions to achieve them. This required decision making i.e., choosing future courses of action from available alternatives. This involves the following.

- Setting short and long term goals for organization.
- Selecting objectives, strategies and policies for accomplishing the planned goals.
- Deciding in advance what to do,how to do, who has to do, when to do and where to do.
- Planning bridges the gap from where we are now to where we want to be in future.

ii. Organising : It is part of management that involves in establishing an intentional structure of roles for people to fill in an organization.

To organize a business well, it is required to provide all the useful things for its proper functioning. The purpose of an organization structure is to help in creating an environment for human performance. This involves in

- Determination of activities required to achieve goals.
- Grouping these activities into department.
- Assignment such groups of activities to managers.
- Forming delegation of authority.
- Making provisions for coordination of activities.

iii. Staffing : Staffing is considered as an important function which makes provision for man power to fill different positions. It involves in building the human organization by filling and keep filling the staff. This involves in

- Finding the right person for right job.
- Selecting the personnel.

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- Placement, training and developing new skills required for present and future jobs.
- Creating new positions.
- Apprising the staff and planning their growth and promotions etc.

iv. Directing : Directing involves three sub functions namely communication, leadership and motivation. Communication is the process of passing information and understanding from one person to another. Leadership is the process by which a manager guides and influences to work of his subordinates. Motivation means arising desire in the minds of employees of an organization to perform their best.

v. Controlling : Controlling is measuring and correcting of activities of subordinates to make sure that the work is going on as per the plans. Controlling refers to the measurement of achievement. This involves three elements.

- Establishing standards of performance
- Measuring performance and comparing with established standards.
- Taking necessary corrective actions to meet the set standards.

b. Explain the Henri Fayol's administrative management. **(09 Marks)**

Ans. Henri Fayol is considered as father of administrative management. His theory was focused on the development of administrative principles applicable to middle and top level managers. He used the word 'administrator' which is otherwise known as management now days. He suggested that activity of any business organization could be divided into six groups i.e., financial technical, accounting, commercial, managerial and security. His main focus was on managerial or administrative activity. He divided management function into five functions, planning, organizing, commanding, coordinating and controlling.

These functions are very similar to what are being practical in today's management. He also told that these activities are same at all levels of any organization fayol had suggested 14 principles of management as a guideline to the process of management practice. They are -

Principles of Management

i) Division of work
ii) Authority and responsibility
iii) Discipline
iv) Unity of command
v) Unity of direction
vi) Subordination of individual interest to general interest
vii) Union is strength
viii) Initiative
ix) Equity
x) Scalar chain
xi) Order
xii) Stability of tenure of personnel
xiii) Remuneration and
xiv) Centralization

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OR

2. a. What are the steps involved in planning? Explain. (07 Marks)

Ans. **Steps in planning :**

Step 1 : To establish objectives which are verifiable :
The first step in the planning process is to identify the goals of the organization, which should be verifiable in nature. The objectives that are so derived must also indicate who, when , where and how they are to be achieved.

Step 2 : To establish planning premises :
Planning premises are basically assumptions of future market conditions which become the basis for current planning process.

Step 3 : To determine alternative courses of action :
One has to search for and list all possible alternatives in order to be compared and analytically evaluated.

Step 4 : To evaluate the alternatives and select the best :
All the alternatives have to be compared and evaluated with respect to their expected contribution to the organizational objectives.

Step 5 : To formulate derivation plans :
Derivative plans are nothing but subplans or departmental plans. They are required in order to translate the broad overall plan of the organization into day to day operations.

Step 6 : To secure co-operation and participation of all employees :
The successful execution of a plan depends to a large extent on the whole hearted co-operation of all employees.

Step 7 : To measure and control the progress through follow - up :
Follow up measures should be put in place to continually review the relevance and effectiveness of the plan.

b. Explain committee organization with its advantages and disadvantages. (05 Marks)

Ans. **Committee organization**

A committee is a group of people pooled to carry out a defined objective.

Functions

i) Collect the necessary information from different sources and arrange them in order
ii) The collected information is critically examined and analysed.
iii) Draft a detail report containing the recommendations for the implementation
iv) Framing the policies of the organization
v) Selection of personnel, directing and controlling the officers at regular intervals.

Advantages

i) Committees can take valuable decisions
ii) Committee members can use their expertise while taking decisions
iii) Committee decisions are many times better
iv) As a member of a committee, a manager has to accept the decision and implement it faster

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v) Communication of decision is faster with the involvement of members from different groups.

vi) Co-ordination among departments is made easy since managers of various departments are involved in decision making.

vii) Committee members have authority to implement the decisions.

viii) Decisions are generally accepted since they are taken in a democratic process.

Disadvantages

i) Many decisions are delayed due to the heterogeneous group in the committee

ii) Increased administrative expenses

iii) Secrecy of decision cannot be maintained

iv) Sometimes decisions are taken on compromise

v) Sometimes expressing ideas may lead to heated arguments

vi) Dominating nature people influence more in decision making

vii) Since committee takes decisions, intuition of individuals will deteriorate.

viii) Responsibility cannot be fixed on any individual if a decision does not produce expected favourable results.

c. **What are the sources of recruitment?** **(04 Marks)**

Ans. **Sources of recruitment :**

- **Applications introduced by friends and relatives**

Often the employees introduce their relative application to find a good job for them.

- **Consulting agencies** : A consulting agency is commonly utilised to find specialised executive personnel.
- **Campus recruitment** : As a large numbers of management institutes like IIM, IIT etc are engaged in giving the professional training, many companies find it easier to pick up the best talent straight from the institute to fill its managerial position.
- **Casual callers** : Sometimes on his own initiative , the applicant sends his application for the job. The personnel office keeps the record of applications and the suitable candidates can be selected from the callers.
- **Through advertisements** : Companies advertise in the newspaper for their vacancies. Generally the senior posts are filled by promotions.
- **Field trips and college recruitment** : This method is being used for private industrial firms.
- **Employment exchange** : The recruitment is also done through the employment exchange of the persons who are enrolled in the exchange.

Module-2

3. a. **Write a note on Autocratic and democratic leadership styles with its merits and demerits.** **(08 Marks)**

Ans. **Autocratic leadership style**

In this type of leadership, the leader alone determines policies and makes plans. He tells others what to do and how to do it. He demands strict obedience and relies on

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power. An autocratic leader may sometimes be benevolent also who uses rewards for obtaining obedience from his employees.

Both the forms of autocratic leadership i.e., authorisation and benevolent are disliked by employees. In one form, the employee remains under constant fear. In other form he remains under constant gratitude. In both the forms, the leader is a key person. The whole operation of the organisation depends upon him.

Merits

1) This type of leadership. can increase efficiency, save time and get quick results, especially in a crisis or an emerging situation.

2) the paternalistic form of this style of leadership works well with employees who have a low tolerance for ambiguity.

3) Chain of command and division of work are clear and fully understood by all

Demerits

1) The apparent efficiency of one way communication offen becomes a false efficiency since one way communication, without feedback, typically leads to misunderstandings.

2) The autocratic leader is alone in his decision making. This is generally, dangerous in today's environment of technological complexity.

Democratic leadership :- In this type of leadership the entire group is involved in and accepts responsibility for goal setting and achievement subordinates have considerable action. The leader shows greater concern for his people than for his production. He serves more as coordinator or agent for the group. Hence the group is not dependent upon him as an individual and can functions effectively in his absence. While a democratic leader is not the key figure like an authorisation leader, he is still the boss and can not avoid the exercise of authority any more than he can avoid responsibility for what happens to his organisation.

Merits

1) When people participate in and help formulate a decision, they support it and work hard to make if works, because it is their idea and now a part of their life and their ego.

2) The leader consistently receives the benefit of the best information, ideas, suggestions and talent and operating experience of his people.

3) This style of leadership permits and encourages people to develop, grow and rise in the organisation.

Demerits

1) The participative style can take enormous amounts of time and may degenerate into a complete loss of leader's control. Subordinates may show greater absentism.

2) Some leaders may use this style as a way of avoiding responsibility.

b. What is motivation? Explain Maslow's need hierarchy theory of motivation.

(08 Marks)

Ans. Motivation :- It is the process of attempting to influence others to do your will through the possibility of gain or reward.

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Malsow's need Hierarchy

Abraham maslow's need hierarchy theory. Published in 1943, is one of the most popular theories of motivation. According to him, the behaviour of an individual is determined by his strongest need at a particular moment. Needs that are not satisfied influence his behaviour. But the needs once satisfied do not serve as a motivator. According to Maslow, all human needs can be arranged in an order of priority.

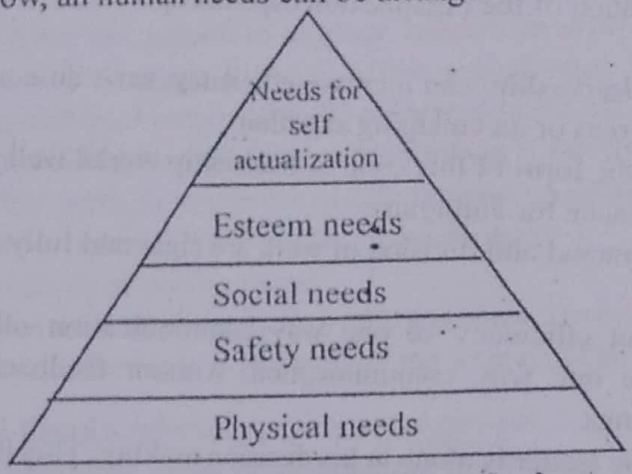

Fig : Maslow's Hierarchy of needs theory

i. Physiological needs : Includes food, shelter, clothing water, sleep and other bodily needs.

The physiological needs are the basic needs in life. These are essential for everybody to remain alive. These needs motivate the person to work and earn sufficient amount of money to fulfil them.

ii. Safety needs : Includes security and protection from physical, emotional and economical harm.

Once the physiological needs are satisfied, the safety needs or security needs become predominant. Physical safety may be protection from fire and accidents. Economical security may be in terms of job security, health and insurance programme, reimplementation etc emotional needs may be the necessity to be happy and be free from mental disturbances.

iii. Social needs : Includes affection, belongingness, acceptance and friendship.

Social needs come into the picture when the primary needs are taken care of since man is a social animal, he has to interact with the society and live with respect in society. He desires to love and be loved, accept others and be accepted, show affection and be shown affection an so on. Social needs make his work enjoyable.

iv. Esteem needs : Includes self - respect, autonomy, status recognition, responsibility, attention, achievement, prestige etc.

Esteem needs represent an individuals concern for feeling important and be respected by others. These needs are primarily satisfied by the individuals themselves. However, the management may create a proper climate to fulfil these needs.

v. Self - actualization needs : Includes self - advancement self - fulfilment, self - development, self - realization etc. Self - actualization is the highest level need in Maslow's hierarchy. It is the desire to become what is one is capable of becoming. It

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is the desire to realize one's own potential. In an organization, a person attempting to satisfy these needs seeks challenging work and looks for opportunities for personal growth.

According to Maslow, if a lower level need is satisfied a higher level need emerges. this goes on till the highest level needs are satisfied. This theory of human motivation by Maslow has been landmark is the field of management. It has been also criticized on the following grounds.

i. Needs of every person may not follow Maslow's hierarchy

ii. Most of the human needs are recurring and are never satisfied fully indeed.

iii. Most of the needs co-exist and there is no such hierarchy whats over.

iv. Boundaries between different levels of needs may be hazy and overlapping.

v. Although behaviour depends on need, or the lack of it, it may not be fully dependent.

vi. The concept of self actualization is theoretical and academic no person can ever know his maximum or best potentials.

OR

4. a. **Explain the importance of communication?** (05 Marks)

Ans. **Communication :** It is the sum of all the things a person does when he wants to create understanding in the mind of another.

1. Importance of communication : Communication is the means by which he persuades informs, motivates and leads his employees towards organizational goals. It is through communication that there is a transmission of information among employees.

2. Communication facilities planning : Panning, the most important function of management, requires extensive communication a among the rank and file of the organization.

3. Communication helps in decision - making : Managers rely heavily, on the quality and quantity of information that is available in order to take decisions.

4. Communication is the basis of co-ordination : A good communication system is the basis of all inter-dependent activities. It is the foundation of all group activity.

5. Communication improves relationships : Communication builds bridges of relationships between employees. It binds individual to a common purpose.

6. Communication improves morale and motivation : When manager listen carefully to employee grievances and take necessary action, it improves the morale of the workers.

7. Communication is key to managerial efficiency : Good communication skills is must for modern day managers. The success or the growth of a manager largely depends on his communication skills.

b. **Describe the steps in controlling process.** (06 Marks)

Ans. **Step 1. Setting of standards :** Standards are the target against which actual performance will be compared. Standards are nothing but performance. It is divided into two types

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i. Quantitative standards : Ex : Production level, rejection level, labour hours, speed of service etc

ii. Qualitative standards : Ex : Employee morate, brand image, company image, good will etc.

Step 2. Measurement of actual performance

Here the control process is to measure actual performances of various individuals, teams and departments in the background of established standards.

To make any measurement process effective, the following 3 aspects to be followed

i. Completion : The actual performance measurement has to be complete in all aspects.

ii. Objective : Performances at work should be measured in an objective manner without fear.

iii. Responsiveness : The management of any performance should support the belief that effort and performance lead to improvement.

Step 3 : Taking corrective measures :

The final step in the control process consists of taking remedial actions so that deviation may not occur again in future. Corrective steps are initiated so that any defects in the actual performance may be rectified.

Corrective actions may include following activities

1. Change in methods, rules, procedure strategies etc
2. Introduce training programs.
3. Job redesign
4. Replacement of personnel
5. Re-establishing budgets and standards
6. Better compensation packages to employees.
7. Changing machinery and processes.
8. Identifying recurring bottlenecks and avoiding
9. Trying to understand the completion better
10. Looking at raw material resources and suppliers.

c. What is the need for co-ordination? **(05 Marks)**

Ans. Need for co-ordination

1) Division of labour

When managers divide work into specialised function or departments they at the same time create a need for co-ordination of these activities.

The greater the division of labour, the greater the need for co-ordination. If all the work of an organization is done by two people in one unit, it is clear that there is little need for co-ordination. But if the work has been divided into 10 units with 100 employees, the need for co-ordination is much greater.

Ex :- A car is equipped with accelerator brake and clutch. Operate them all simultaneously and to their limit, you will generate a lot of noise but no movement.

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2) Independence of units

The need of co-ordination in an organisation also arises because of the interdependence of various units. The greater the interdependence of various units. The greater the interdependence of the units, the greater the need for co-ordination unit can be linked any of 3 ways.

a) Pooled interdependence :- Unit linked by pooled interdependence make contributions to the total organisation but are not directly related.

b) Sequential interdependence :- In this kind of a linkage, one organisational unit must act before the next can.

c) Reciprocal interdependence :- In this relationship, the input of one unit becomes the output of the other and vice-versa. the maintenance and production departments of a company provide an example of this kind of relationship.

3) Individual interests versus organisational interests :-

The need for co-ordination is also felt to integrate the activities and objectives of the separate units of an organisation in order to efficiently achieve organisational goals, without co-ordination, individuals and departments would begin to purse their own specialized interests often at the expense of the larger organisational goals.

Module-3

5. a. Explain the classification of Entrepreneur? **(08 Marks)**

Ans. Entreprenuers broadly classified into following types

1. According to the type of business :

i. Business entrepreneur
ii. Trading entrepreneur
iii. Industrial entrepreneur
iv. Corporate entrepreneur
v. Agricultural entrepreneur
vi. Retail entrepreneur
vii. Service entrepreneur

2. According to the use of technology

i. Technical entrepreneur or non technical
ii. Professional entrepreneur
iii. Low tech or high tech entrepreneurs.

3. According to motivation

i. Pure entrepreneur
ii. Induced entrepreneur
iii. Motivated entrepreneur
iv. Spontaneous entrepreneur

4. According to the growth

i. Growth entrepreneur
ii. Super growth entrepreneur

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5. According to the stages of development

i. First generation entrepreneurs

ii. Modern entrepreneurs

iii. Classical entrepreneurs

6. According to the area

i. Urban entrepreneur

ii. rural entrepreneur

7. According to the age and gender

i. Young entrepreneur

ii. Old entrepreneur

iii. Male entrepreneur

iv. Female entrepreneur

8. According to the scale of operation

i. Small scale entrepreneur

ii. Medium scale entrepreneur

iii. Large scale entrepreneur

9. Other type :

i. Professional and non professional entrepreneur

ii. Modern entrepreneur

iii. Traditional entrepreneur

iv. Forced entrepreneur

b. Describe the steps involved in entrepreneurial process? (08 Marks)

Ans. i. Identification of opportunity :

This may be from entrepreneur own idea or from external sources like consumers and business associates etc. Consumers are the best source of ideas for a new venture who spells out the need of a product or service. The business associates also can give ideas of a product or service.

ii. Evaluation of the opportunity :

The opportunity identified by using either input from consumers, business associates, channel members or technical people, must be carefully screemed and evaluated. The evaluation process involves looking at the length of opportunity, its real and perceived valve its risks and returns, its fit with personal skills and goals of the entrepreneur. This plan includes

- Description of product or service
- Agreement of opportunity
- Assessment of the entrepreneur and his team
- Resources needed.
- Amount and source of capital needed

iii. Development of a business plan :

To achieve the proposed business opportunity a well defined business plan need to be developed. The business plan should contain the following order

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- Title of project, table of contents.
- Description of business and industry
- Technology plan
- Financial plan
- Organization plan
- Production and operational plan
- Marketing and distribution plan
- Summary of plan

iv. Determination and organizing the resources :

This process begins with assessment of present resources. Enough care must be nature of resources required.

v. Management of Enterprise :

After resources are acquired, the entrepreneur must use them to implement the business plan. The optional problems of the growing enterprise must also be examined.

OR

6. a. What are the barriers of entrepreneurs? **(06 Marks)**

Ans. **1. Environmental barriers :**

a. Raw materials : Non availability of raw materials for production, especially during peak season, is a very barrier.

b. Labour : Human resources is the most important resource in any organization.

c. Machinery : Machinery becoming absolute and the need for their maintenance and upgrading.

d. Land, building and infrastructure : These go a long way in deciding the fortunes of the company and the lack of good facilities.

2. Financial Barriers :

a. Finance is the life blood of any organization if there is no proper flow of finances both in company and in the country, there are bound to be problems.

b. There are plenty of successful small business in India. But the entrepreneurs lack the will and the strength to scale up their operations.

3. Personal Barriers :

a. Lack of self - confidence : This is very big emotional barrier to an individual.

b. Lack of motivation : In the beginning all entrepreneurs are enthusiastic about their projects. But they may lose interest especially in the face of challenger.

c. Lack of patience : This barrier is more dominant among youth entrepreneurs. When things do not go as expected they may lose interest because of lack of patience.

d. Inability to invest in R & D and innovate :

This is one of the greatest barriers of Indian entrepreneurs.

4. Social barriers :

Religious and conservative attitudes of the society can inhibit entrepreneurs.

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b. Explain Technical and Financial feasibility study. (10 Marks)

Ans. **Technical feasibility study**

i. **Location of the project :** The data regarding the location of project is very important. It may be located in rural, urban or semi urban areas.

ii. **Construction of factory, building, and its size :** The construction details,, the nature./ type of building and it size for the project are to be analysed.

iii. **Availability of raw materials :**

The study of availability of raw materials sources of supply, alternate sources, its quality and specifications cost etc are to be studied.

iv. **Selection of machinery :** It is required to produced the intended product is to be carried out. The specifications are capacity, cost, sources of supply are studied.

v. **Utilities :** The detailed about availability utilities like water, gas , electricity, petrol, diesel etc are to be studied.

vi. **Production capacity :** Establishment off production capacity and utilization of production capacity are analysed.

vii. **Staff requirement :** Study and analysis of requirement of workers, technical staff and officers etc is to be made.

viii. **Technical viability :** The technical viability of the opportunity is to be studied.

Financial feasibility study

i. **Total capital cost of project :** It is very essential to study the total cost of project. This includes fixed capital, working capital and interest factor.

ii. **Sources of capital :** The study of main sources of capital is to be made. If capital is borrowed, interest burden is to be studied in detail.

iii. **Subsidiary sources for additional finance :** After study of main sources of capital subsidiary sources of capital are to be identified and studied.

iv. **Financing for future development of business :** Financing requirement for future development of business are to be studied. Working capital requirement for at least three months running of enterprise are to be estimated.

v. **Break even analysis (BEA) :** It is to be carried out to see at what level of production / sales will make the organization no loss / no profit situation.

vi. **Estimation of cash and fund flow :** It is very essential to make a study of estimation of cash and fund flow in the business.

vii. **Return on investment (ROI) :** ROI is to be calculated to see the amount of return on investment for the investors/ share holders and how much they get.

viii. **Proposed balance sheet :** Proposed balance sheet is made showing liabilities and assets, depreciation , interest burden, profits expected etc.

ix. **Cost of labour and technology :** The cost of employees is to be estimation and studied. If technology is not available then it has to be purchased from any R & D institution or by way of foreign collaboration.

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Module-4

7. a. **What is project report? Explain guidelines provided by planning commission for preparation of project report.** **(10 Marks)**

Ans. **Project report :-** It is a written document pertaining to any investment proposal.

Guidelines :

i. General information : The feasibility report must include the analysis of the industry to which it belongs. The report should deal with description of type of industry, its priority, past performance, increases in production etc.

ii. Preliminary analysis of alternatives : The details like gap between demand and supply of proposed products, availability of capacity, list of all existing plans in industry. All technically feasibility options are considered here.

iii. Project description : The feasibility report should provide a brief description of the technology process selected for the project information pertaining to the selection of optimal location etc are to be provided.

vi. Marketing plan : The details like marketing plan, demand, target price of product, distribution methods etc are to be presented.

v. Capital requirements and costs : Information with regard to capital requirement and costs with breakup are to be provided. The estimates should be realistic and based on logical information.

vi. Operating requirements and costs : The cost incured after the commencement of commercial production are called operating costs.

vii. Financial analysis : It is essential to assess the financial viability of the project.

viii. Economic analysis : Social profitability analysis is to be made. Impact of the operations on foreign trade, direct costs and benefits are to be included in the report.

ix. Miscellaneous aspects : Depending upon the nature and size of operation of a particular project may be include in report.

b. **Write a note on project identification.** **(06 Marks)**

Ans. Project identification is concerned with collection of economic data, compiling and analysing it to identify the possibility of investment to produce the goods or service for making profit.

Project identification may come from one or other of the following ways.

i. Observation : Observation is one of the very important sources of project idea. The scarcity of a particular product or service may lead to the development of that. The available of raw material or skill may lead t an idea of utilizing them to produce goods. Observations of existing processes also sometimes leads to new project ideas.

ii. Trade and professional magazines : Trade and professional literature keeps a person in touch with latest developments and trends and also stimulate to develop new ideas.

iii. Bulletins of research institutions : R & D bulletins of some institutions also provide some new ideas based on the findings which are published in the bulletin.

iv. Government sources : Department publications of various departments of government also provide useful information that can help in identification of new project ideas.

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The project ideas can be discovered from various sources. They are given below

i. Knowledge of potential customer need

ii. Watching emerging trends in demands for certain products.

iii. Knowledge about the government policy concessions and incentives list of items reserved for manufacture in SSIs.

iv. Ideas generated by concerned people

v. Scope producing substitute product

vi. Visiting trade fairs, exhibitions of new products etc.

vii. Competitor's product

viii. Observation of market and similar products.

ix. Ideas given by friends and relatives based on their institution an observation.

All of these sources put together may give a few ideas about the possible projects to be examined as the final project. This process is known as opportunity scanning and identification.

OR

8. a. What is ERP? Explain its importance. **(06 Marks)**

Ans. **ERP :-** Enterprise Resource Planning is software the integrates all departments and functions across a business into a single system while still serving each departments specific needs.

Importance

1) Increase effective communication between departments.

2) Allow employees to access information they need from anywhere.

3) Stream line processes across various department

4) Provide a birds eye view of a business overall operations.

5) Better manage a company's finances.

These benefits lead to higher productivity more efficient operations and reduced errors.

b. Explain the objective of market research. **(10 Marks)**

Ans. Research in market must have certain objectives. Basic objectives of market research are

i. To know about the persons who buy company product : This will include the number of persons who buy, the frequency of their buying, their regional location and the social category of the buyer.

ii. To find out the impact of promotional efforts. Research in this will enable the researcher to find out strength and weakness of the promotional mix.

iii. To know customer response to the product : The objective of this approach is to known what customer feels about the product and will help to determine the degree of satisfaction derived by the customer.

iv. To measure the effectiveness of channels, price policy and personal seeling The research in this area will help to know the correct mode of selling products and their correct price.

v. To know the marketing cost and profit : The main objective of this research is to get the valuable information about the distribution market cost.

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vi. to study the external forces : Research in this field will help the company to provide reliable information about the competitors moves and share of the market.

vii. To forecast : Research in this field area will help the company to forecast the future of existing product and their future sales, demand etc.

viii. To explore : Research in this area will provide the company to explore new market, new products and help to develop the new better and effective ideas.

ix. To determine overall effectiveness : Market research measures the effectiveness of advertisement rules, promotion techniques, marketing policies, after sales service etc.

x. To keep close match : Market research will keep a business in touch with its market.

Module-5

9. a. **What are the objectives and problems of SFC?** **(10 Marks)**

Ans. **Objectives of SFCs :**

- To provide term loans for purchase of land, buildings, machinery and other facilities.
- To promote self employment for professionally qualified men and women entrepreneurs interested in starting their own projects.
- Financial assistance for expansion, modernization and mechanization in the existing setup.
- To give financial assistance for promotion of rural industries, cottage industries and urban service centers.
- To provide financial assistance for transport vehicles and tourist related activities.
- To arrange entrepreneurial development programmers and seminars for up coming young industrialists.
- To provide financial assistance for quality improvement and environmental control needs.

Problems of SFCs :

- Since SFC's are started by respective state governments the usual problems of state bureaucracy of procedures, delays, castism and favoritism do occur.
- In the state offices problems of corruption and other mal practices continue to bother the applicants
- In case of repayments very strict procedures are followed and units are sealed.

b. **What are the different types of patents? Explain.** **(06 Marks)**

Ans. Patents are classified into 3 types

1. Utility patents
2. Design patents
3. Plant patents

1. Utility patents : Patents granted for new products processes, machines, methods of manufacturing and composition of matter come under the category of utility patents. This is the most common patents bought by the inventors. It is granted for 17 years. The utility patents exclude most of botanical creations related to plant and agricultural use.

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2. Design patents : Design patents are granted for any new or original ornamental design for an article of manufacture. Examples are shoe compares such as Reebok, Nike that have become more interested in design patents as a means of protecting their ornamental designs what is the most important element in the design patent is that it protects the appearance of article not the article itself.

3. Plant patents : Plant patent is granted for any new variety of plant that has been a sexually reproduce by an inventor. The new plants may be patented only when the inventor satisfies the patent office that the new plant did not exist in nature or in an uncultivated state plant patent provides the protection for 17 years.

OR

10. a. Briefly explain about trademarks in IPR. **(10 Marks)**

Ans. **Trademark :** A trademark is any word, name, symbol or any combination there of adopted and used by the manufacturer or merchant to identify his/her goods and distinguishes them from those manufactured or sold by others.

Functions of trademark :

Trademark law is based mainly on two concepts distinctiveness and deceptive similarity. Trademark performs functions.

1. Identifies the product and its origin.
2. Guarantees its unchanged quality.
3. Advertises the product
4. Creates an image for the product

Categories of trademarks :

The protection awarded is dependent on the character of the mark itself. There are four categories of trademark.

1. Coined marks : Denote no relationship between the mark and the goods or services and afford the possibility of expansion to a wide range of products.

2. An arbitrary mark : Is one that has another meaning in our language and is applied to product or service.

3. A suggestive mark : is used to suggest certain features, qualities, ingredients or characteristics of a product or service. It differs from an arbitrary mark in that it tends to suggest some attribute of the product or services.

4. A descriptive mark : must have become distinctive over a significant period of time and gained consumer recognition before it can be registered.

Benefits :

- It provides notice to everyone that have exclusive rights to the use of the mark through out the territorial limits for the country.
- It establishes incontestable rights regarding the commercial use of the mark.
- It establishes the right to deposit registration with customs to prevent importation of goods with a similar mark.
- It entitles one to use the notice of registration.
- It provides a basis for filing trademark application in foreign countries.

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Registration of trademark :

Registration of trademark involves a process of consisting of three stages as follows

1. Written application : The registration process of trademark starts with submitting an application in the patent office in the standard form. The applicant needs to provide the conventional information partners and company officers, partners, owners of firm or association officers and is motorized.

2. Drawing preparation : At this stage, a formal drawing on a good quality white paper using permanent black India ink is prepared. Drawing preparation does not require any engineering credentials of skills. The applicant simply need to provide an accurate and clear drawing of the mark he/she wishes to protect.

3. Specimen preparation : The applicant needs to prepare the five specimens of actual trademarks or facsimiles and submit the same with the application. Facsimiles are allowed because actual specimens can seldom filed in a folder. But specimens and facsimiles must be capable and also fit onto a legal size format.

b. Write a note on N. R. Narayana Murthy. **(06 Marks)**

Ans. Nagavara Ramarao Narayana Murthy was born 20, August 1946, commonly referred to as Narayana Murthy, is an Indian IT Industrialist and the co-founder of Infosys, a multinational corporation providing business consulting, technology, engineering and outsourcing services. He studies electrical engineering at the National institute of Engineering, University of Mysore and MTech at the Indian Institute of Technology, Kanpur, Before starting Infosys, Murthy worked with Indian Institute of Management Ahmedabad as chief system programmer and patni computer systems in Pune. He started Infosys in 1981 and served as its CEO from 1981 to 2002 and as chairman from 2002 to 2011. In 2011, he stepped down from the board and became chairman emeritus. On 1 June 2013, Murthy was appointed as additional director and executive chairman of the board for a period of five years.

Murthy has been listed among the 12 greatest entrepreneurs of out time by Fortune magazine. He has been described as Father of Indian IT Sector by time magazine due to his contribution to outsourcing in India. Murthy has also been honoured with the Padma Vibhushan and Padma Shri awards.

Murthy first served as Research Associate under a faculty at IIM Ahmedabad and then later served as chief systems programmer. There he worked on India first time - sharing computer system and designed and implemented a Basic interpreter for electronic corporation of India Limited. He started a company named Softronics. When that company failed after about a year and a half. He joined Patni computer systems in Pune.

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Fifth Semester B.E. Degree Examination, CBCS - June/July 2018

Management and Entrepreneurship for IT

Time: 3 hrs. Max. Marks: 80

Note : *Answer any FIVE full questions, selecting ONE full question from each module.*

Module - 1

1. a. **Explain the contributions made by Frederick Winslow Taylor under scientific management.** (08 Marks)

Ans. **Scientific management contribution :**

- First the time and motion studies have made us aware that the tools and physical movements involved in a task can be made more efficient and rational.
- Second the stress which scientific management placed on scientific selection of workers has made us recognise that without ability and training a person cannot be expected to do his job properly.
- Finally the importance that scientific management gave to work design encouraged managers to seek that "one best way" of doing a job.
- Taylor's belief that economic incentives are strong enough to motivate workers for increased production proved wrong. No man is entirely an "economic man", that is, a man's behaviour is not always dictated by his financial needs.
- Taylor's time and motion study is not accepted as entirely scientific. This is because two time studies done by two separate individual may time the same job entirely differently.
- Separation of planning and doing and the greater specialisation internal in the system tented to reduce the need for skill and tended to reduce the need for skill and produce greater manatony of work.
- Advance in methods and better tools and machines eliminated some workers who tended difficult to get other jobs.

b. **With a neat diagram, explain the hierarchy of planning.** (08 Marks)

Ans. **Hierarchy at plans :**

- The plans are generally arranged in a hierarchy within any organization.
- It starts at the top with objectives and goals of an organization.
- The second level is strategies. There are two types of strategies namely single use plans and standing plans.
- The third level is action plans. The hierarchy of plane is shown below.
- The top management sets the goals and objectives. These occupy the top priority..
- The goals or objectives, include long - term plans and strategies of an organization.
- Strategies are carried out by means of 2 types of plans known as single use plans and standing plans single use plans are developed to achieve a specific goal after reaching the goal, the plan is dissolved.
- Examples of single use plans are badges, construction of a bridge, dam or a shopping complex.

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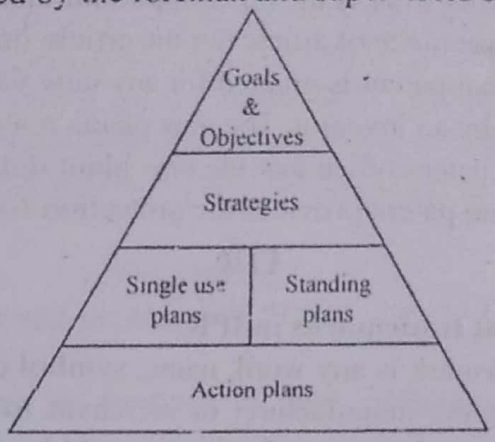
- Whereas standing plans are developed for projects that happen again and again.
- Admission procedure in a college, over hauling procedure of an aircraft, recruitment procedure of an organization etc.
- Action plans are the plans executed by the lower level organization. These are routine plans executed by the foreman and supervisors of the shop.



OR

2. a. **Explain the general principles of administrative management theory as laid down by Henri Fayol.** **(08 Marks)**

Ans. Refer Q.no.1(a) of Dec 2017/ Jan 2018.

b. **Explain any two types of organization highlighting its advantages and disadvantages.** **(08 Marks)**

Ans. Refer Q.no. 2(b) of Dec 2017/ Jan 2018 & Refer Q.no. 2(b) of MQP - 2.

Module-2

3. a. **Explain Row Maslow's hierarchy of needs help a manager to motivate his subordinates.** **(08 Marks)**

Ans. Refer Q.no. 3(a) of MQP - 2.

b. **Define direction. Explain the principles of direction.** **(08 Marks)**

Ans. **Direction :** It means issuance of orders and leading and motivating subordinates as they go about executing orders.

Principles

1. Harmony of objectives : An organisation functions best when the goals of its members are in complete harmony with and complementary to the goals of the organization Such as ideal situation seldom drifts in any organisation. Nor should a manager ever expect this situation to exist. But in directing subordinates he must take advantage of individual motives to gain group goals.

2. Unity of command : This principle implies that the subordinates should receive orders and instructions from one superior only. The violation of this principle may lead to conflicting orders, divided loyalties and decreased personal responsibility for results. He alone is the best position to select whichever directing techniques maximise productivity . No other outside interference in the supervision of subordinates should then be permitted.

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3. **Direct supervision :** Every superior must maintain face to face direct contact with his subordinates. Direct supervision boosts the morale of employees increases these loyalty and provides them with immediate feedback on how well they are doing.

4. **Efficient communication :**Communication is an instrument of direction. It is through communication that the superior gives orders, allocate jobs, explains duties and ensure performance. Efficient communication is a two way process.

5. **Follow-through :** Direction is not only telling subordinates what they should do but also seeing that they do it in the desired way. The manager should therefore follow through the whole performance of his subordinates not to keep a check on their activities but to help in their act, to show them where their deficiency, if any, lies and to revise their direction if it need revision.

OR

4. a. **Define leadership. Explain the various leadership styles.** (08 Marks)

Ans. Refer Q.no. 3(b) of MQP - 1.

b. **Define coordination. Explain the importance of coordination.** (08 Marks)

Ans. Refer Q.no. 3(b) of MQP - 2

Module-3

5. a. **Explain the classification of entrepreneurs.** (08 Marks)

Ans. Refer Q.no. 5(a) of MQP - 2.

b. **Explain the various types of feasibility study to be carried out in an organization.** (08 Marks)

Ans. Refer Q.no. 6(a) & 6(b) of MQP - 1
Refer Q.no. 5(b) of MQP - 1.

OR

6. a. **Define entrepreneur. Explain the characteristics of an entrepreneur.** (08 Marks)

Ans. Refer Q.no. 6(a) of MQP - 2.

b. **Explain the role of entrepreneurs in economic development in India.** (08 Marks)

Ans. Refer Q.n0.5(a) of MQP - 2

Module-4

7. a. **Explain the contents of a project report.** (10 Marks)

Ans. Refer Q.no. 7(b) of MQP - 2.

b. **Explain the various functional areas of enterprise resource planning.** (06 Marks)

Ans. **Functional areas of ERP**

Marketing/sales - Sales and marketing departments can track the customer experience from presale activities, which begin with conducting the customer, through he actual dispatch of the customer order.

Customer relationship management

ERP platforms also can incorporate customer relationship management modules

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to focus on how a business communicates with its customers. This may include departments such as sales and marketing and call center, support as well as functions such as customer interaction data.

Supply chain management : ERP modules supporting supply chain management may feature functions for purchasing, product configuration, supplier scheduling, goods inspections claims processing , warehousing and more.

Manufacturing : Engineering, scheduling capacity, quality control, workflow and product life management are among the core functions that can fall within an ERP systems manufacturing module.

Accounting / Finance : By automating and streaming tasks related to budgeting, cost and cast management, activity based costing and other accounting.

Human resources : Human resources modules within an enterprise resource planning system may include tools and dash boards to gather and interpret data on training, recruiting and diversity management HR managers also can monitor and measure key performance indicates for individual employees, job roles and departments.

OR

8. a. Explain the different criteria to be used for project selection. **(08 Marks)**

Ans. Refer Q.no. 7(a) of MQP - 2.

b. Explain the guidelines by planning commission for project report. **(08 Marks)**

Ans. Refer Q.no. 7(a) of MQP - 1

Module-5

9. a. Explain the steps in establishing micro and small enterprises. **(08 Marks)**

Ans. Steps in establishing Micro and small scale business

Step 1 : Evaluate yourself : Do you have what takes ?

The prospective entrepreneur should be able to ask him or herself some questions like.

- Have you tried owing or operating a small business before.
- Does your educational background prepare you your chosen field of business?
- Are you ready for long hours of research , planning and hard work.

Step 2 : Identify a business

Every successful starts with a good idea. The idea may be conceived by the owner or drawn from number of available resources.

Step 3 : Prepare a business plan

For the fact that starting a business is like a journey into the unknown, the prospective entrepreneurs must evaluate the business he or she wants to enter into each of these essential parts of a business plan is below.

- Opportunity
- Market
- Management
- Manufacturing
- Financial projection

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- Required investment

Step 4 : Finance th eusiness

The prepared business plan must have identified the amount of capital required for to establish the business. Here start-up capital is required to kick - start the business

Step 5 : Prepare a marketing plan

A marketing plan is an action plan for oving a product or service to consumers and essentially includes a description the product or service , highlighting its benefits to the buyer and its unique or innovative features.

Step 6 : Choose ownership type of the business

At this juncture, the entrepreneur decided on what business type the venture takes, is it a sole proprietorship type of business or is it a partnership, corporation or co-operative business.

Step 7 : Register the business name

After determining the ownership type of the business, the next step is to register the business with the appropriate authorities before registering the business name, the entrepreneur and registering authority must ensure that no other firm or individual has priory rights to the name.

Step 8 : Start the business, the production of its goods and services

The steps to starting business ladder, the entrepreneur can open ip the doors production of goods and services commence right away. With the business running, the entrepreneur further stabilizer the operations and legalities as may be involved on daily basis.

(08 Marks)

b. Discuss the case study of Microsoft.

Ans.

- Microsoft is a multinational computer technology corporation head quartered in redomd, Washington that develops, manufactures, licenses and supports a wide range of products and services related to computing.
- The history of Microsoft began on April 4,1975. It was founded by Bill Gates and paul allen in Albuquerque.
- Its current best selling product are the microsoft windows operating system and the Microsoft office suite of productivity software.
- Microsoft corporation is one of the ebest - known and reputed computer software, electronics companies in the world.
- The analysis marketing involves the microeconomic factors like political, economic, social technological and legal.

1. Political factors : Microsoft inc. is influenced by a lot of political factors at the regional, international and governmental levels.

2. Economic factors : A wide range of economic factors effect Microsoft inc. revenues both directly as well indirectly.

3. Social factors : The company of Microsoft is large impacted by a wide range of social factors like consumer behaviour changes, demographic changes, consumer opinion changes etc.

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4. Technological : Since Microsoft is a technical firm itself, it is mostly influenced by all types of technological change.

5. Legal : As any corporate firm, Microsoft also has to abide by the law codes in the country or territory where it is operating.

OR

10. a. Discuss the case study of N R Narayana Murthy and Infosys. (08 Marks)

Ans. Refer Q.no. 10(b) of Dec 2017/ Jan 2018.

b. Explain the objectives and functions provided by SIDBI and KSFC. (08 Marks)

Ans. Objective of SIDBI

In the setting up of SIDBI, the main purpose of the government was the ensure larger flow of assistant to the small scale units. To meet this objectives the immediate thrust of the SIDBI was on the following measures.

i. Initiating steps for technological up gradation and modernisation of existing unit

ii. Expanding hte channels for marketing the products of the small scale sector.

iii. Promotion of employment - oriented industries especially in semi-urban areas to create more employment opportunities and thereby checking migration of population to urban areas.

Function of SIDBI

i. It refinances loans and advances provided by the existing lending institutions to the small - scale units.

ii. It discounts and re discounts bills arising from sale of machinery to and manufactured by small - scale industrial units.

iii. It extends seed capital load assistance under national equity fund and seed capital schemes.

iv. It grants direct assistance and refinance loans extended by primary lending institutions for financing exports of products manufactured by small - scale units.

v. It provides services like factoring, leasing to small units.

vi. It provides financial support to national small industries corporation for providing leasing marketing help to the small scale units.

Objectives of KSFC

1. To provide financial assistance in the form of term loans to tiny and ancillary units, small and medium scale industries in Karnataka.

2. To encourage dispersal of industries of the backward areas to achieve balanced growth of the industries.

3. To provide equipment leasing, hire purchase, working capital assistance and assistance for research and development related activities.

4. To identity entrepreneurs throughout the state.

5. To provide enterprise development programs to women engineering and technical professionals and agriculturists.

6 To conduct district level industrial seminars.

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Function of KSFC

1. It underwrites the issue of the stock, shares, bonds or debentures by industrial concerenes.
2. If transfers, for considerations, any instruments relating to loans and advances granted by it to industrial concerns.
3. It provides technical and administrative assistance to an industrial concern.
4. It acts as the transfer for the holders of debenture or other securities.
5. It provides leasing, sub - leasing, hire - purchase and factoring services.
6. It provides export related credit and services.
7. It undertakes money market related activities.
8. It undertakes asset managing activity.

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Fifth Semester B.E. Degree Examination, CBCS - Dec 2018 / Jan 2019

Management and Entrepreneurship for IT

Time: 3 hrs. Max. Marks: 80

Note : *Answer any FIVE full questions, selecting ONE full question from each module.*

Module-1

1. a **Explain the various roles f a manger.** **(06 Marks)**

Ans. Roles played by manger are :-

1) **Interpersonal roles :-**

- **Figure head :-** In this role every manger has to perform some duties of a ceremonial nature, such as greeting the touring dignitaries, attending the wedding of an employee, taking an important customer to lunch and so on.
- **Leader :-** As a leader, every manger must motivate and encourage his employees. He must also try to reconcile their individual needs with he goals of the organisation.;
- **Liaison :-** In this role of liaison, every manger must cultivate contacts outside his vertical chain of command to collect information useful for his organisation.

2) **Informational Roles :-**

- **Monitor :-** As monitor , the mange has to perpetually scan his environment for information, interrogate his liaison contacts and his subordinates and receive unsolicited information, much of it as a result of they network of personal contacts he has developed.
- **Dis seminator :-**

In the role of a disseminator, the manager passes some of his privileged information directly to his key subordinates who would otherwise have no access to it.

- **Spokesman :-** A manger is also required nowadays to spend a part of this time in representing his organisation before various outside groups, which have some stake on the organisation . these stake holders can be government officials , labour, unions, financial institutions, supplier, customers Etc.

3) **Decisional Roles :-**

- **Entrepreneur :-** In this role the manger does not merely adapt to his surrounding situation but procreativity looks out for innovation t make things happen. Innovation means creating new ideas.
- **Disturbance Handler :-** In this role, the mange has to work reactively like a fire fighter. He must seek solutions f various unanticipated problems.
- **Resource Allocator :-** In this role, the manger must divide work and delegate authority who will get what .
- **Negotiator :-** The manger at all levels has to spend considerable time in negotiations. Thus the president of a company may negotiate with the union leaders a new strike issue, the foreman may negotiate with the workers a grievance problem and soon.

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b. Explain the contribution of FW Taylor to the theory of the management. **(10 Marks)**

Ans. Taylor made several important contribution which are classified under scientific management.

1) Time and Motivation study :- Taylor thought was that no one knew how much work it was reasonable to expect a man to do. He therefore started time and motion stud\y, under which each motion of a job was to be timed with the helpful a stop watch and shorter and fewer motions were to be developed.

2) Differential Payment :- Taylor introduced a new payment plan called the differential piece work, in which he linked incentives with production. Under this plan a worker received low piece rate if he produced the standard number of pieces and high rate if he surpassed the standard Taylor thought that the attraction of high piece rate would motivate workers to increase production

3) Practise re organisation of supervision :- Taylor suggested two new concepts

(i) Separation of planning and doing

(ii) Functional foreman ship.

Taylor suggested that the work should be planned by a foreman and not by the worker . he also by a foreman and not by the worker. He also said that there should be as many fore man as there are special functions involved in doing a job and each of these foreman should give orders to the worker on his speciality.

4) Scientific Recruitment and training :- Taylor emphasised the need for scientific selection ad development of the worker. He said that the management should develop and train every worker to bring out his best facilities and to enable him to do higher, move interesting and more profitable class of work than he has done in the past.

5) Intimate friendly co - operation between the management and workers :- Taylor said that for above suggestions to succeed, " Complete mental revolution" on the part of management and labour was required . Taylor believed that management and labour had a common interest in increasing productivity.

Taylor's concept of scientific management developed in to a movement and dominated the industrial management scene for several decade offer him. His principles and concepts were refined and enlarged by several of his followers, notable among them being Henry l Gantt and the G L breths

OR

2. a. Explain the steps involved in planning and give the importance and purpose of planning process. **(12 Marks)**

Ans. Steps in planning

1) Establishing verifiable Goals or Set of goals to be achieved :-The first step on planning is to determine the enterprise objectives. These are most often set by upper level or top mangers, usually after a number of possible objectives have been carefully considered. The type of goal selected will depend on number of factors, the basis mission of the organisation , the values its mangers hold and the actual and potential abilities of the organisation.

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2) Establishing planning Premises :- The second step in planning is to establish planning premises, i.e certain assumptions about the future on the basis of which the plan will be ultimately formulated.

Planning premises are vital to the success of planning as they supply pertinent facts and information relating to the future such as population trends, the general economic conditions production costs and prices, probable competitive behaviour and so on.

Planning premises can be variously classified as under

(1) Internal and external premises

(2) Tangible and intangible premises.

(3) Controllable and non - controllable premises

3) Deciding the planning period :-Once upper-level managers have selected the basic long - term goals and the planning premises, the next task is to decide the period of the plan. other factors which influence the choice of a period are as follows

(a) Lead time in development and commercialisation of a new product.

(b) Time required to recover capital investment or the pay-back period.

(c) Length of commitments already made.

4) Finding alternative courses of Action ;- This step in planning is the search for and examine alternate courses of action. For instance, technical know how may be secured by engaging a foreign technician or by training staff broad.

5) Evaluating and selecting a course of Action :- It is to evaluate them in the light of the premises and goals and to select the best course or courses of action. This is done with the help of quantitative techniques and operations research.

6) Developing Derivative Plans :- Once the plan for the organisation has been formulated,middle and lower - level managers must draw up the appropriate plans for their sub- units . these are the plans required to support the basic plan.

7) Establishing and Deploying Action Plans :- Mangers possessing little understanding of how reorganisation operates may not know how to turn the derivative plans into action. The action plans identifies particular activities necessary for this purpose and specifies the who, what, when, where and how f each action item.

8) Measuring and controlling the progress :- The process of controlling is a critical part of any plan. Mangers need to check the progress of their plan so that they can

(a) Take whatever remedial action is necessary to make the plan work.

(b) Change the original plan if it is unrealistic.

Importance of planning

- **Minimises Risk and Uncertainty :-** Planning provides logical facts and procedure to managers for making decisions.; This logical decision making based on plans to organisation minimizes uncertainty and risk.
- **Leads to Success :-** Planning does not guarantee success, but studies have shown that offend, thing being equal."chance favours the prepared mind ". companies that plan not only outperform the non planners but also outperform their own past results. Planning leads to success by doing beyond mere adoption to market fluctuation with the help of a sound plan, management can act pro-actively and not simply react.
- **Focuses Attention on the organisation Goals :-** Planning helps the manger to

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focus attention on the organisation's goals and activities . This makes it easier to apply and co-ordinate the resources of the organisation move economically.

- **Facilitates Control :-** In planning the manager set goals and develops plans to accomplish these goals. These goals and plans then become standards or benchmarks against which performance can be measured.
- **Trains Executives :-** Planning is also an excellent means for training executives. They become involved in the activities of the organisation and the plans arouse their interest in the multifarious aspects of planning.

Purpose of planning:-

(i) To select from many available alternatives so as to achieve the objectivities of the enterprise and efficiently.
(ii) To direct all other functions of Management.
(iii) To set up the goals of an enterprise in perspective, with in the environment.
(iv) To help planned goals of an enterprise to break - up into more easily hand-able additive segmented goals.
(v) To form the basis for budget.
(vi) To forecast the future to avoid uncertainty and change.
(vii) To provide effective control.
(viii) To search for alternatives and adopt the best way of accomplishing the work.
(ix) To focus the vision on the objectives and goals.

b. What are MBO and MBE ? Explain **(04 Marks)**

Ans. MBO :- (Management by objectives)

- It is also referred as results management or management by results . Its main aim is to increase the effectiveness of managers by placing responsibility.
- MBO, is a process in which the general manager and his subordinates of an organization jointly identify the common objectives, define individual responsibility an dues theses measure, as guides in achieving the company goals targets.

Management by Exception (MBE) :-

The principle of management by exception was first given by F.W Taylor in 1919. According this principle, only unusual or exceptional items of major deviations in daily activities should be bought to the notice of the manager.

It states that non deviations from standard not be brought to his attention.

The theory behind this principle is that once a standard is set for a particular activity and if it is going on smoothly, there is no point in informing this to the manager, as this is mere waste of his time as well as the messenger time.

OR

3. a. Explain types of leaders or leadership styles. **(06 Marks)**

Ans. There are 3 widely used leadership styles are

i) Traits approach
ii) Behavioural approach
iii) Contingency approach.

(1) Traits approach :- Trait is basically a character and early notions about

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leadership desalt with personal abilities. The traits that associate with leadership are identified as:- Mental and physical energy, emotional stability, knowledge of human relations, empathy etc.

(2) Behavioural approach ;- It is found that most of these are really pattern of behaviour. There are several theories based on leadership behaviour and style . Some of them are

(i) Leadership based on the use of authority.

(ii) Likert's four systems of managing.

(iii) The managerial grid and

(iv) Leadership involving a variety of styles and level of use of power and influence.

(i) Style based on authority :-

Based on how the authority is used, he leaders are style into 3 groups.

- The first is autocratic leader who commands and excepts compliance , is dogmatic and positive and lead by the ability to with hold or give rewards and punishment.
- The second is democratic leader who consults with subordinates on proposed actions and decisions and encourages participation fro them.
- The third type is free-rein leader who uses his power very little and gives a high-degree of independence to his subordinates to carry out their work.

(ii) Likert's four systems of management :- Prof ,Likert has developed four systems of management based on his study of patterns and styles of leadership

- System :- Management is described as exploitive authoritative. Its managers are highly autocratic have little trust in subordinates.
- System 2:- This is called "benevolent authoritative". Its manager have a patronizing confidence and trust in subordinates, motivate them with rewards and some fear and punishment allows little upward communication.
- System 3 :- This is referred to as consultative management. Manager in this system have substantial but not complete confidence in subordinates.
- System 4 :- This is most participative type and hence it is often called as participative group. These manages have complete confidence in subordinate rewards for motivations.

(iii) The managerial grid :- Building on previous history which dealt with mangers concerned with both people and production . hey devised a two dimensional grid based on people and production.

(iv) Leadership involving a variety of styles :- This concept also called as leadership continuum. It is seen that the leadership involves a variety of styles ranging from one which is highly boss conferred to the other which is highly subordinate concerned.

3) Contingency approach :- The effective leaders need to analyse the situation and find the most appropriate and best-suited style for a given environment.

Contingency approaches have meaning for managerial theory and practise.

b. Explain steps on controlling (10 Marks)

Ans. There are three basic steps in control process.

1) Establishing Standards

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2) Measuring and comparing actual results against standards.
3) Talking corrective action.

1) Establishing Standards :-

- The first step in the control process is to establish standards against which results can be measured.
- Since entire operations can not be observed , each organisation must develop its own list of key result are as for the purpose of control.
- Some key areas in all business organisations are : Profitability , market position. productivity personnel development , employee attitudes and public responsibility.
- An executive who wishes to control a particular key area often finds that the work in question has several characteristics .
- He must determine the level of performance for each characteristics in quantitative terms.

2) Measuring and comparing actual results against standards :-

- The second step in the control process is to measure the result an compare it with the predetermined pars
- One important point to be considered here is whether measurement and comparison are to be done at various stages in the through put process or at the end.
- If the purpose of control is to catch trouble while if is forming then this should be done at various strategic points before the end of the throughout process.
- A fault to be avoided is to allow too long a period of time to pass between performance measurements.
- Frequency of measurements depends on the nature of the task being controlled.

3) Taking corrective action :-

- After comparing the actual performance with prescribed standards and finding the deviations, the next stop that should be taken by the manger is to correct these deviation.
- Corrective action should be taken with out wasting time so that the normal position can be restored.
- The manger should also determine the correct causes for deviation.
- The remedial action that should be taken depends on the nature of causes for variations.

OR

4. a. Explain Maslow's hierarchy theory. **(10 Marks)**

Ans. According to A.H Maslow, needs are arranged in a hierarchy or a ladder of five successive categories. Physiological needs are at the lowest level followed by securities , social, system and self-fulfilment needs.

- **Physiological needs** are those which arise out of the basic physiology of life, the need for food, water, air etc. These needs must be at-least partiality satisfied for continued survival.
- **Security needs** are the needs too feel with economically secure and psychologically secure. The former include protection form arbitrary lay - off and dismissal.

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disaster and avoidance of the unexpected. The latter relates to a man's confidence that he will be able to deal with problems that might confront him on future.

- **Social needs** are needs to associate with other people and be accepted by them to love and be loved. These needs are variously referred to as the hard instinct and the like, but at base, they point to the fact that man finds a satisfaction in association with others and feels a real deprivation when it is not possible.
- **Egoistic or esteem needs** are those which relate to respect and prestige. A need for dominance may be thought of as one of the egoistic needs. These are of two types: Self esteem and esteem from others.

Self- esteem is an individuals need to feel inside himself that he is worthy. He has also the need that others think he is worthy.

- **Self - fulfilment needs** are needs for realising one's potential . These include the need for realising one's capabilities to the fullest for accomplishing what one is capable of accomplishing for becoming what is capable of becoming.

b. Explain the following

(i) Cognitive evaluation theory.

(ii) Herzberg (Two factor theory) **(06 Marks)**

Ans. (i) Cognitive Evaluation Theory :-

It is a theory in psychology that is designed to explain the effects of external consequences on internal motivation . It suggest that there are actually two motivation system intrinsic and extrinsic those correspond to two kinds of motivations.

Intrinsic Motivators

Achievement , responsibility and competence motivators that come from the actual performance of the task or job-the intrinsic interest of the work.

Extrinsic Motivators

Pay, promotion, feedback, working conditions things that come from a person's environment, controlled by others.

(ii) Herzberg's two - factor for theory :-

Herzberg developed the two - factor theory of work motivation.

According to Herzberg , the absence of certain job factors tends to make worker dissatisfied . The presence of these same factors in themselves does not produce high levels of motivation. They merely help avoid dissatisfaction and the problems it creates , such as absenteeism , turnover and grievances.

Hezberg called these factors maintenance or hygiene factors since they are necessary to maintain a reasonable level of satisfaction to serve as a take- off point for motivation . He concluded that there were ten maintenance factors, namely :-

1) Fair company policies and administration.
2) A supervisor who knows he work
3) A good relationship with one's supervisor
4) A good relationship with one's peers
5) A good relationship with one's subordinates
6) A fair salary
7) Job security

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8) Personal life
9) Good working conditions
10) Status

To build high levels of motivation, a different self factors is necessary. Herzberg called these the motivators. These are

1) Opportunity to accomplish something significant.
2) Recognition for signification accomplishments
3) Chance for advancement
4) Opportunity to grow and develop on the job.
5) Chance for increased responsibility.
6) The job itself.

Module - 3

. a. **Differentiate between entrepreneur, intrapreneur and manager.** **(04 Marks)**

Ans.

Points	Intrapreneur	Entrepreneur	Manager
1) Goal Management	Independent, innovates new ideas	Independent, starts new venture and leads direct involvement	Delegates and supervises more than direct involvement.
2) Status	Not concerned about traditional status but wants recognition	Not concerned about status	Concerned about status symbol.
3) Risk	Owns moderate Risk	Bears all the risk and uncertainty	Does not bear any risk
4) Rewards	Gets fixed records for his work	Since there is risk he may get profit or loss depending on outcome	Works for salary for his service which is fixed and definite.
5) Innovation	Innovative	Very innovative	Need not be innovative He manages idea of top management.
6) Decision making	Moderate, limited to his work	Very much involved in decision making	Delegates decision of top management.

b. **Explain various stages in Entrepreneurial process** **(12 Marks)**

Ans. This process has five important stages :-

i) Identification of an opportunity
ii) Evaluation of the opportunity.
iii) Preparation of the business plan.
iv) Determination and organizing the resources.
v) Management of the enterprise.

(i) Identification of an opportunity :- The first step in the entrepreneurial process is the identification of opportunity . This may be from his own idea or from external sources like consumers and business associates, members of distribution system, independent technical organisations etc. Consumers are the best source of ideas for

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a nee venture who spells out the need of a product or service.
Due to the close contact with the end user, member of distribution system also see product needs one can identify new business opportunities though a discussion with a retailer, wholesalers or a trade representative.

ii) Evaluation of the opportunity :- The opportunity identified by using either input from customers , business associates , channels members or technical people, must be carefully screened and evaluated. This evaluation is perhaps the most critical element of the entrepreneurial process as it allows the entrepreneur to assess whether the specific product or service provides sufficient return on investment.
Unlike a business plan, this is a short one, focuses makes it clear whether or not to go with it .
This plan includes

- Description of product or service
- Agreement of opportunity.
- Assessment of the entrepreneur and his team
- Resources needed
- Amount and source of capital needed.
- Rewards and profit expected.

iii) Development of a business plan :- To achieve the proposed business opportunity a well defined business plan need to be developed. This is a tedious and time consuming activity of the entrepreneurial process. The business plan should contain the following on order

- Tittle of project, tale of contents and executive summary.
- Description of business and industry.
- Technology plan
- Financial plan
- Organization plan
- Production and operation plan
- Marketing and distribution plan.
- Summery of plan.

iv) Determination and organizing the resources :- This process begins with the assessment of present resources. Enough care must be taken not to underestimate the amount and nature of resources required. The risk involved with in sufficient or in correct resources should be calculated . Organising the required resources at the appropriate time is another important aspect of entrepreneurial process. Alternative sources of supply process of manufacture etc are to be planned.

v) Management of Enterprise :- After resources are acquired, the entrepreneur must use them to implement the business plan. The operational problems of the growing enterprise must also be examined . This calls for a management with all functions like planning, organizing, staffing , directing and controlling.

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OR

6. a. **List some of the most commonly attributed reasons for the lack of entrepreneurship in India.** **(12 Marks)**

Ans. Lack of entrepreneurship are

i) Lack of capital
ii) Lack of technical knowledge
iii) Economic business cycles.
iv) Non availability of raw materials and resources.
v) Government regulations
vi) Obsolescence of technology or idea
vii) Unstable and unpredictable markets.
viii) Globalisation and entry of foreign goods.
ix) Risk.

b. **Write short notes on**
(i) Procrastination
(ii) Typing your dreams to age **(04 Marks)**

Ans. **(i) Procrastination :-** It is the avoidance of doping a task that needs to be accomplished by a certain deadline. It could be further stated as a habitual or intentional delay of starting or finishing a task despite knowing it might have negative consequences. It is common human experience involving delay in everyday chores or even putting off salient tasks such as attending an appointment . submitting a job report or academic assignment or broaching stressful issue with a partner.

(ii) Tying your dreams to age :- To some ,too old is equivalent to too late. They used to dream but once they grew up, those dreams vanished . dreams to them became wishful thinking.

Some people who hit a point in their life where they seen to have given up. They don't like what they do but because of their age, they plan to hang onto their job till they retire.

Module - 4

7. a. **Explain the phases of project identification with its sources.** **(04 marks)**

Ans. Phases of project identification :-

(i) Observation :- Observation is one of the very important sources of project idea. The scarcity of a particular product or service may lead to the development of that . the available of raw material or skill may lead to an idea of utilizing them to produce goods. Observations of existing processes/ products also sometimes leads to new project ideas.

(ii) Trade and professional magazines :- Trade and professional literature keeps a person in touch with latest developments and trends and also stimulate to develop new ideas.

(iii) Bulletins of research institutions :- R & D bulletins of some institutions also provide some new ideas based on the finding which are published in the bulletin.

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(iv) Government sources :- Departmental publications of various departments of government also provide useful information that can help in identification of new project ideas.

(12 Marks)

b. List out various contents of project report

Ans. Contents of project report are :-

1) General information
2) Promoter
3) Location
4) Land and Building
5) Plant and Machinery
6) Capital requirement and cost
7) Operational requirement and cost
8) Production process
9) Raw material
10) Man power
11) Products
12) Market
13) Economic analysis
14) Working capital
15) Requirement of funds.

OR

8. a. Explain various factors to be considered for selection of a project. (06 Marks)

Ans. **(i) Technology :-** The technology required to develop the project should be available with in or preferable available indigenously . It makes life easier to start with it may be difficult and costly to get technology through foreign collaboration.

ii) Equipment :- The availability of equipment should be studied . the entrepreneur should select the best equipment available for the project.

(iii) Investment size :- The study of investment required is to be made rationally and accurately wrong estimation may lead to shortage of funds in the middle or towards the end of project .

(iv) Locations :- Suitable locations of project is very important. The entrepreneur should lo9cate the project where resources and raw material are available.

(v) Marketing :- Th product should be marketable. One should estimate the correct/ reliable demand and market share for his product.

(10 Marks)

b. Give the meaning of project appraisal

Ans. Project appraisal means he assessment of a project in terms of its economic, social and financial feasibility . This makes it necessary to recognize the inter relationship of various aspects of a projects.

Methods of project appraisal :-

(1) Economic analysis :- It includes requirements for raw materials level of capacity utilizations, expected sales, expected expenses and expected profits. Business should have a volume of profit that decides sales to achieved . the amount of sales has to

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be calculated to achieve the target profits. Demand for the product is to be identified carefully as if is the deciding factor of project feasibility points considered for the location of the enterprise are to be maintained . The government policies need to be considered in this regard.

(2) Financial Analysis :- It is the finance that facilities an entrepreneur to bring together the labour, raw material sand other facilities to produce goods. Financial Analysis includes assessment of financial requirements like fixed capital and working capital, land and building.

While assessing the fixed capital requirement all items related to asset like cost of asset, architect or engineer's fee, electric connection, water sources etc. are to be considered working capital is the amount of funds which is needed in day to day business operations.

(3) Technical feasibility :- While making project appraisal, the technical feasibility of project is made. technical feasibility means the adequacy of the proposed plant and equipment to produce the product at proposed technology.

(4) Managerial competence :- It plays an important role important the enterprise a great success. In the absence of managerial competence a technically and financially viable project may fail . also project to an efficient one.

(5) Market Analysis :- There is a need to study the market with respect to demand, target customers, when and where the products are to be sold . Production has no value unless the produced goods are sold. Hence knowledge of anticipated market for a product becomes an-important aspect in every business.

Module - 5

9. a. Explain the following

i) NSIC ii) DIC

iii) NIMSMIET iv) NIESBUD

v) KSFC **(10 Marks)**

Ans. i) NSCI:- The National small industries corporation Ltd(NSIC) was setup in 1955 with a view to promoting aiding and fostering the growth of small scale industries in the country with focus on commercial aspects of these functions. NSIC continues to implement its various program and projects throughput the country to assist the SSJ units. The co-operation has been assisting the sector through several schemas and activities.

ii) DIC :- The District industries centres (DIC) programme was started.during 1978 with a view to provide integrated administrative framework at the district level for promotion of small scale industries in rural areas. The DIC are envisaged as a single win low interacting agency with the entrepreneur at the district level. Services and support to small entrepreneurs are provided under a single roof through the DICs. They are the implementing arm of the central and state governments of the various scheme and programmes. Registration of small industries is done at the District industries centres.

iii) NIMSMIET :-The National institute for micro, small and medium enterprise.

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iv) **NIESBUD :-** The National institute for Entrepreneurship and small Business development is a premier organization of the ministry of skill development and Entrepreneurship, engaged in training, consultancy, research etc., in order to promote entrepreneurship and skill development . The major activities of the institute include training of trainers, management development programmes, Entrepreneurship cum skill development programmes and cluster intervention.

v) **KSFC :-** Karnataka state financial corporation has been playing a vital role in the development of micro, small and medium scale enterprises in the state of karnataka. It is one of they fast track term lending financial institutions in the country. it is one of the robust and professionally managed state financial corporations. It was established in the year 1959 under the state financial corporation Act 1951 of the government of India. It gives financial assistance to setup tiny, small , medium and large scale industrial units in the karnataka state.

b. Justify WTO and its impact on small scale industries in India. (06 Marks)

Ans. WTO serves as the legal and institutional foundation of the multilateral trading system . It makes optimum utilization of world's resources for improving the incomes and standard of living promoting employment and expanding production and trade activities among various countries.

Impact on SSI in India :-

- Safeguard from unilateral actions of the developed nations.
- Increased access to export markets.
- Increased R & D efforts in the country.
- Access to advanced technology of the existing and new industries.
- Increased opportunity to subcontracting and job work for SSI.
- Increased global competition resulting higher efficiency and improved quality.
- Business boost will take place in specified fields.
- Textiles and clothing.
- Agriculture and food products.
- Chemicals
- Software industry.
- Services.

OR

10. a. What is TECSOK ?Explain the services offered by TECSOK. (10 Marks)

Ans. TECSOK :-

Technical consultancy services organization of Karnataka is a multi disciplinary technical industrial and management consultancy organization set up.

Services :-

- Locations specific identification of investment opportunities .
- Assistance in obtaining statutory and procedural clearances.
- Feasibility studies and environment impact studies
- Preparation of detailed project reports as per investment norms and financial norms.
- Market survey and research.

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- Project implementation and turn key assistance.
- Reorganization and restructuring of enterprises.
- Valuation of assets, man power planning & budgetary control system.
- Energy management and audit , corporate plan, technology transfer.
- Diagnostic studies and rehabilitation of sick industries.
- Designing and organizing training programmes.
- TECSOK has catalysed a large number of industries throughout the province.
- Management studies, company formation ,corporate plan enterprise restructuring.
- Port tariff study and related areas.
- Consultancy for agro - based industries as a nodal Agency of government of India.
- Consultancy of merger / takeovers.
- Infrastructure development projects.

b. Explain aims and objectives of KIADB **(06 Marks)**

Ans. Aims and Objectives :-

- Promote rapid and orderly development of industries in the state.
- Assist in implementation of policies of government with in the preview of KIAD Act.
- Facilitate in establishing infrastructure projects.
- Functions on No profit - No Loss basis.

Functions :-

- Acquire land and form industrial areas in the state.
- Provide basic infrastructure in the industrial areas.
- Acquired land for single unit complexes.
- Acquire land for government agencies for their schemes and infrastructure projects.

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Fifth Semester B.E. Degree Examination, CBCS - June / July 2019

Management and Entrepreneurship for IT Industry

Time: 3 hrs. Max. Marks: 80

Note : *Answer any FIVE full questions, selecting ONE full question from each module.*

Module-1

1. a. **Define management. Explain the characteristics of management.** (05 Marks)

Ans. Management is the process of designing and maintaining an environment in which individuals, working together in groups, efficiently accomplish selected items.

Characteristics :

- It should be stable.
- It should be applicable to all kinds of organization.
- It is transparent
- Its approaches are to be clear and goal oriented.
- It should be simple yet effective.
- It should be responsive to many external elements like social, political and ethical factors.
- It should have well defined goals and effective means to accomplish the goals.
- It should have good planning, organizing, staffing, directing and controlling functions.
- It should provide conductive atmosphere at work.

b. **Explain the different roles of manager in an organization.** (06 Marks)

Ans. Refer to Q(1.a) of Dec 2018/Jan 2019.

c. **Explain the contribution of F.W. Taylor to management.** (05 Marks)

Ans. Refer to Q(1.b) of Dec 2018/Jan 2019.

OR

2. a. **Define planning. Explain the general steps involved planning.** (08 Marks)

Ans. **Planning :** It is an executive function that is referred to as decision making.

Steps : Refer to Q(2.a) of Dec 2018/Jan 2019.

b. **What is selection? Explain in detail the process of selection.** (08 Marks)

Ans. **Selection :** Selection of personnel for the organization is one of the most important managerial responsibilities.

Steps in selection process :

- **Application blank : Filling of the application blank** by the candidate is the first step in the process of selection. In this form the applicant gives relevant personal data such as his Qualification, experience, firms in which he worked etc.
- **Initial Interview :** Those who are selected for interview on the basis of particulars finished in the application blank are called for initial interview by the company. This interview is most important means of evaluating the poise or appearance of the candidate.

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- **Employee tests :** For further assessment of candidate's nature and abilities, some tests are used in the selection procedure. They are :

Aptitude tests : This test measures the applicant's capacity to learn the skill required for a job.

Interest test : This test measures the type of work in which the candidate has an interest.

Intelligence test : This test measures candidates mental alertness, re-assigning ability, power of understanding etc are judged.

Trade or performance or achievement or job specification : This test is used to measure the candidates level of knowledge and skill in the particular job in which he is appointed in case he is finally selected.

Personality test : It is used to measure those characteristics of a candidate which constitute his personality etc self-confidence, initiative, judgement, originality, etc.

- **Checking references :** If the candidate has been found satisfactory at the interview and his performance is good in employment tests, the employer would like to get some important personal details about the candidate, for the purpose, the employer needs references.
- **Physical or medical examination :** It is another step in the selection procedure. The objective of this examination are :

(i) To check the physical fitness of the applicant for the job applied for.

(ii) To protect the company against the unwanted claims for compensation.

(iii) To prevent communicable diseases entering the business concern.

- **Final Interview :** This interview is conducted for those who are selected for employment. In this interview selected candidates are given an idea about their future prospects within the organization.

Module-2

3. a. Explain the leadership styles in detail with its advantage and disadvantages **(09 Marks)**

Ans. Refer to Q(3.a) of Dec 2018/Jan 2019.

b. What is motivation? Explain Herberg's motivation hygiene theory two-factor theory **(07 Marks)**

Ans. **Motivation :** It is the process of attempting to influence others to do your will through the possibility of gain or reward.

Herberg's Motivation Theory : Refer to Q(4.b) of Dec 2018/Jan 2019.

OR

4. a. What is co-ordination? Explain the importance of co-ordination. **(06 Marks)**

Ans. **Co-ordination :** It deals with the task of blending efforts in ordered to ensure the successful attainment of the objective. It is accomplished by means of planning, organizing, actuating and controlling.

Importance :

- **Unity in Diversity :** There are large number of employees each with different ideas, views or opinions and interests. This results into a diversified activity in any

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organization. It is necessary to bring them together to accomplish the common objective. Hence co-ordination is the main element to bring unity in diversity.

- **Specialization :** Though specialists are well aware of their tasks and perform their tasks very effectively, they lack the knowledge of job of others and the importance of the other activities.
- **Team work :** Co-ordination help converging the diversified efforts of various groups to achieve the objectives. It promote team work and avoids duplication of work.
- **Large number of employees :** Large organization, employee large number of employees. Many times they don't work in harmony among them.
- **Empire building :** It refers to top level of line organization. The line officers expect co-operation from staff officers, but the line officers are not ready to extend their co-operation to staff officers. Co-ordination is necessary to avoid conflicts between line and staff officers.
- **Functional differences :** The functions of organization are divided section wise. Each section performs different jobs. Each department tries to perform its function in isolation from others.
- **Recognition of goals :** Each department has its own goals and the individual employee also have their own goals. The individual employees give more importance for their own goals than the organizational goals.
- **Communication :** Co-ordination ensures the smooth flow of information one direction to other direction.
- **Interdependency :** The need for co-ordination in an organization arises of the interdependence of various units. The greater the interdependency of units, the greater the need for co-ordination.

b. Define control. Explain the different methods of establishing control (10 Marks)

Ans. It is checking current performance against predetermined standards contained in the plans with a view to ensure adequate progress and satisfactory performance.

Methods of establishing control

- **Personal observation :** The manager personally observes the operations in the work places.
- **Budgeting :** A budget is a statement of anticipated results during a designated time period expressed in financial and non-financial terms. The budgeting process typically involves the use of cost standards.
- **Cost accounting and cost control :** Profit of any business depends upon the cost incurred to run the business. Profits are increased by reducing costs.
- **Break-Even analysis :** The point at which sales is equal to the total cost is known as Break-Even point. At this point there will be no loss or no profit.
- **Standard costing :** Standard costing is used to control the cost. The objective of standard costing is the same as budgetary control.
- **Return on investment :** Ratio of net profit to the total investment or capital employed in the business is termed as return on investment, expressed as percentage

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$$ROI = \frac{Profit}{Total\ Investment}$$

- **Responsibility accounting :** It is defined as the system of accounting under which each departmental head is made responsible for the performance of his department.
- **Management audit :** It is an independent process that aims at pointing out the inefficiency in the performance of functions of management. Such as, planning, organizing, directing, controlling. It helps the management to handle the operations effectively.
- **Internal audit :** It is conducted by an internal auditor who is an employee of an organization. He makes an independent appraisal of financial and other operations.
- **External audit :** It is an independent appraisal of the organization's financial accounts and statements.
- **Statical control Reports :** This type of reports are prepared and used by large organizations. They are quantitative in nature.
- **Gantt Milestone chart :** This is basically a time based production control technique. This is widely used to monitor the progress of projects.
- **Production control :** It is necessary for smooth functioning of an organization. It involves forecasting and planning of production, scheduling, etc.

Module-3

5. a. Define entrepreneur. What are the characteristics of an entrepreneur.(04 Marks)

Ans. **Entrepreneur :** He is one who always searches for changes, responds to it and exploit it as an opportunity.

Characteristics of Entrepreneur :

- Action-oriented, highly motivated and ready to take risk at all levels to achieve the goal.
- Should have unwavering determination and commitment.
- Creativeness and result oriented, hard working.
- Accepts responsibilities with enthusiasm.
- Self confident, dedicated and self disciplined.
- Both thinker and doer, planner and worker.
- Future vision, intelligent, imaginative and self-directed.

b. Explain the various stages of entrepreneurial process. (08 Marks)

Ans. Refer Q (5.b) of Dec 2018/Jan 2019.

c. What are the Barriers to entrepreneurship? (04 Marks)

Ans. Refer Q (6.a) of Dec 2018/Jan 2019.

OR

6. a. Explain in detail entrepreneurship in India. (06 Marks)

Ans. **Entrepreneurship in India :**

- The evolution of entrepreneurship in India is the efforts of great people as well as professionals.

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- It started as family business known to be around 1850's with the starting of cotton mill in Bombay.
- From then on, entrepreneurship had grown in all directions from cotton mill to manufacture to services, etc.

Past : In the past business community was involved in trade and commerce. This community is presently known to be vaisyas or banias.

The following points are note worthy with respect to the entrepreneurship in the past.

- Manufacture and supply of a product was based on demand. The traders used to book orders from required people and get them from the producer.
- All the members of the family were involved in the business from planning to manufacture stage and finally selling them.
- .The industrial activity was controlled by the cast system.
- The skill of any enterprise was inherited from ancestors.
- The trade activity was dependant on caste system.

Present : There are tremendous growth of industries and services over last 50-60 years. Banking, automobiles,software development petro chemicals, etc.

Some of the note worthy highly talented entrepreneurs of India are G.D Birla, J.R.D Tata, Aditya Birla, etc.

Before 1940's the Indian business was almost dominated by British companies expect for some well established companies like Tata steel, Birla group,etc. It was very difficult to compete with British goods. After second world war more business opportunities were projected like cement, steel and other infra-structures. Indian industry began to expand in the core sector only after Independence.

b. Explain in detail identification of business opportunities with various types of feasibility study. **(10 Marks)**

Ans. **Market feasibility study** : It is detailed work of collection of data analysis and conclude the feasibility of that operation. Market feasibility study involves the study and analysis of the following aspects. Market feasibility study will assess whether the product has good market. This need to study the following

- Nature of the market.
- Cost of production.
- Selling price and profit.
- Demand. Market share.
- Target market.

Technical feasibility study :

- Location of the project.
- Construction of factory, building and its size.
- Availability of raw materials
- Selection of machinery.
- Utilities.
- Production capacity.
- Staff requirement.
- Technical viability.

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Financial feasibility study

Financial feasibility is the most important aspect of a business opportunity. Some of the aspects involved in financial feasibility study are :

- Total capital cost of project.
- Sources of capital.
- Subsidiary sources for additional finance.
- Financing for future development of business.
- Break even analysis.
- Estimation of cash and fund flow.
- Return on investment.
- Proposed balance sheet.
- Cost of labour and technology.

Social feasibility study

- Location.
- Social problem.
- Pollution.

Module-4

7. a. Explain the need and significance of project report **(06 marks)**

Ans. A project report is a written document pertaining to any investment proposal.

- It contains relevant data on which the project has been appraised and found relevant.
- It is a course of action what the entrepreneur wants to do in his business and the means to do it.
- Thus the preparation of project survives essentially two functions it serves as a road map describing the direction of the enterprises it goals and how to achieve them. It also serves to attract investors and lenders.
- The preparation of project report is beneficial for those entrepreneurs seeking financial assistance from financial institutions and commercial banks.
- Financial institutions provides financial assistance based on project report.
- A project is prepared by an expert after detailed study and analysis of the various aspects of a project.
- It gives the complete analysis of the inputs and outputs of the project.
- It enables the entrepreneur to understand at the initial stages, whether the project is sound in technology, commercial aspects, financial and marketing aspects.

b. What is project report? Explain the guidelines provided by planning commission for preparation of project report. **(10 Marks)**

Ans. **Project report :** It is a written document pertaining to any investment proposal. It contains relevant data on which the project has been appraised and found relevant.

Guidelines :

- **General information :** The feasibility report must include the analysis of the industry belongs.
- **Preliminary Analysis of Alternatives :** The details like gap between demand and supply of proposed products, availability of capacity, list of all existing

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plants in industry, indicating their capacity, level of production attained and list of proposed projects.

- **Project Description :** The feasibility report should provide a brief description of the technology/process selected for the project and other environmental problems etc are to be provided.
- **Marketing plan :** The details like marketing plan, demand, target price of product, distribution methods etc are to be presented.
- **Capital requirements and costs :** Information with regard to capital requirement and costs with breakup are to be provided. The estimates should be realistic and based on logical information.
- **Operating requirements and costs :** The costs incurred after the commencement of commercial production are called operating costs. Cost of raw materials, fuel, power and maintenance etc of operating costs.
- **Financial Analysis :** Financial analysis is essential to access the financial viability of the project.
- **Economic Analysis :** Social profitability analysis is to be made impact of the operations on foreign trade, direct costs and benefits are to be included in the report.
- **Miscellaneous aspects :** Depending upon the nature and size of operation of a particular project any other relevant information may be included in the project.

OR

8. a. Explain the supply chain management in detail **(06 Marks)**

Ans. Supply chain Management (SCM)

- It is the active integration and co-ordination of all supply chain activities to provide you, the customer, with the best value. It means providing quality product at reasonable price.

Roles of SCM

- **SCM helps sustains human life :** Humans depend on supply chains to deliver basic necessities such as food and water. Any breakdown af these delivery pipelines quickly threatens human life.
- **SCM improves human healthcare :** Humans depend on supply chain to deliver medicines and health care. During a medical emergency, supply chain performance can be the difference between life and death.
- **SCM protects humans from climate extremes :** Humans depend on an energy supply chain to deliver electrical energy to homes and businesses for light, heat, refrigeration and air conditioning logistical failure can quickly result in a threat to human life.

b. Explain in detail, Human resource management. **(10 Marks)**

Ans. Human resource management means management of people at work. HRM is the process which binds people with organizations and helps both people and organization to achieve each others goal.

Objectives of HRM :

The primary objective of HRM is to ensure thee availability of a competent and willing work force to an organization.

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- **Societal objectives :** To be ethically and socially responsible to the needs and challenges of the while minimizing the negative impact such demands upon the organization. The failure of organizations to use their resources for the society benefit in ethical ways may lead to restrictions.

For Example : The society may limit HR decisions through laws that enforce reservation in hiring and laws that address discrimination, safety or other such areas of societal concern.

- **Organizational objectives :** To recognise the role of HRM in bringing about organizational effectiveness HRM is not an end in itself. It is only a means to assist the organization with its primary objectives. The department exists to serve the rest of the organization.
- **Functional objectives :** To maintain the department contribution at a level appropriate to the organization needs. Resources are wasted when HRM is either more or less sophisticated to suit the organizations demand. The department's level of service must be tailored to fit the organization it serves.
- **Personal objectives :** To assist employee in achieving their personal goals, at least in so far as these goals enhance the individual's contribution to the organization. Personal objectives of employees must be met if workers are to be maintained. retained and motivated. Otherwise, employee performance and satisfaction may decline and employees may leave the organization.
- **HRM function :** In order to realise the objective stated above, HRM must perform some functions. These functions have been stated while outlining the scope of HRM. It may be started that there is a co-relation between the objectives and the functions.

Module-5

9. a. Explain the steps involved in establishing micro and small enterprises. **(08 Marks)**

Ans. Steps involved in establishing micro and small enterprises.

Small Enterprises

- Selection of industry.
- Arrange for know- how/technology.
- Study of resource requirement
- Selection of land and premises
- Study of investment requirement.
- Study of requirement of raw material and sources of supply.
- Study of economic viability like marketing and pricing, return on investment etc.
- Preparation of project report.
- Application to financial institutions for loan for fixed assets and working capital.
- Application of directorate of industries for loan for fixed assets and working capital.
- Get NOC and permission from local body.
- Apply for power connection.
- Recruit staff and workers.

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- Order for plant and machinery.
- Order for raw materials.
- Install the machinery.
- Trail runs.
- Production and sales.
- Profits and pay creditors.

b. Discuss the case study of N.R. Narayana Murthy and Infosys. **(08 Marks)**

Ans. Case study of N.R. Narayan Murthy

- Narayana murthy was born in 1946, in Karnataka, India. He acquired a degree in Electrical Engineering from Mysore university and later studied computer science at IIT Kanpur.
- In 1981, Narayana Murthy founded Infosys technologies along with six of his friends. None of them had money to start the company, but luckily his wife Sudha murthy, who was an engineer with Tata industries.
- Since its inception Infosys technologies developed quickly and has done well not only in the domestic stock markets but also in the international markets.
- In March 1999, it became the first India registered company to be listed on an American stock exchange.
- For the year ending March 2000, it earned $61.3 million on sales of $203.4 million . During down turn on the stock market in early 2001, Infosys growth slowed, but the company was still enjoying substantial growth.
- The fifth of eight children, Murthy was born into a modest family. His father worked as a school teacher in Mysore. When asked about the role models that inspired his carrier, he replied, "those days our role models were our teachers, both in school and university. They taught us to be inquisitive and articulate. My father used to tell us about the importance of putting public good before private good, mother would talk about sacrifice and truth".
- What does money mean to Narayana Murthy? Beyond a certain level of comfort I think one's wealth should be seen as an opportunity to make difference to society. The power of money is power to give. It will have to be done in a gradual manner over the years, but there's no doubt that a majority of what we have will be given to public causes.

OR

10. a. Explain the objectives and functions of SIDBI and KIADB. **(08 Marks)**

Ans. KIADB : Refer to Q(10.b) of Dec 2018/Jan 2019.

SIDBI :

Objectives

- To promote marketing of products of small scale sector.
- To upgrade technology and also undertaking modernization of small scale units.
- To provide more financial assistance to small scale ancillary and tiny sector.
- To encourage employment oriented industries.
- To co-ordinate all the other institutions involved in the promotion of small scale industries.

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Functions :

- It provides services like leasing, factoring etc to industrial concerns in the small scale sector.
- To initiate steps for technological up gradation and modernisation of existing units.
- SIDBI co-promotes state level venture finds in association with respective state government.
- It grants direct assistance and re-finance loans extended by primary lending institutions.
- It reference loans extended by primary lending institutions to small scale industrial units and also provides resources support to them.

b. Discuss the case study of Microsoft. **(08 Marks)**

Ans. Microsoft : It is a multinational computer technology corporation head-quartered in Redmond, Washington that develops, manufactures, licenses and support a wide range of products and services related to computing.

- The history of Microsoft began on April 4, 1975.
- It was founded by Bill Gates and Paul Allen.
- Its current best selling products are the Microsoft windows operating systems and Microsoft office suite of productivity software.
- Paul Allen and Bill Gates, childhood friends with a passion in computer programming, were seeking to make a successful business utilizing their shared skills.
- They developed the interpreter on a stimulator.
- They officially established Microsoft on April 4, 1975. with Gates as the CEO.

Microsoft Analysis

Strengths

- Market leader in client operating systems.
- Large clientele.
- Product availability across global markets.
- Stable profits.

Weakness

- Windows 8 negative user responses.
- Lack of mobile market share.
- Customer dis-satisfaction of mobile products.

Opportunities

- Nokia acquisition.
- Expanding mobile device market.
- Promotion of sky drive for cloud storage.

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Fifth Semester B.E. Degree Examination, CBCS - Dec 2019 / Jan 2020

Management and Entrepreneurship for IT Industry

Time: 3 hrs. Max. Marks: 100

Note : *Answer any FIVE full questions, selecting ONE full question from each module.*

Module-1

1. a Define management. Explain the functional areas of management. (10 Marks)

Ans. Refer Q.No. 1.a. of Dec 2017 / Jan 2018

b. Explain the steps involved in planning, and mention the importance and purpose of planning process. (10 Marks)

Ans. Refer Q.No. 2.a. of Dec 2018 / Jan 2019

OR

2. a. Explain the contribution of F. W. Taylor to the theory of management. (10 Marks)

Ans. Refer Q.No. 1.b. of Dec 2018 / Jan 2019

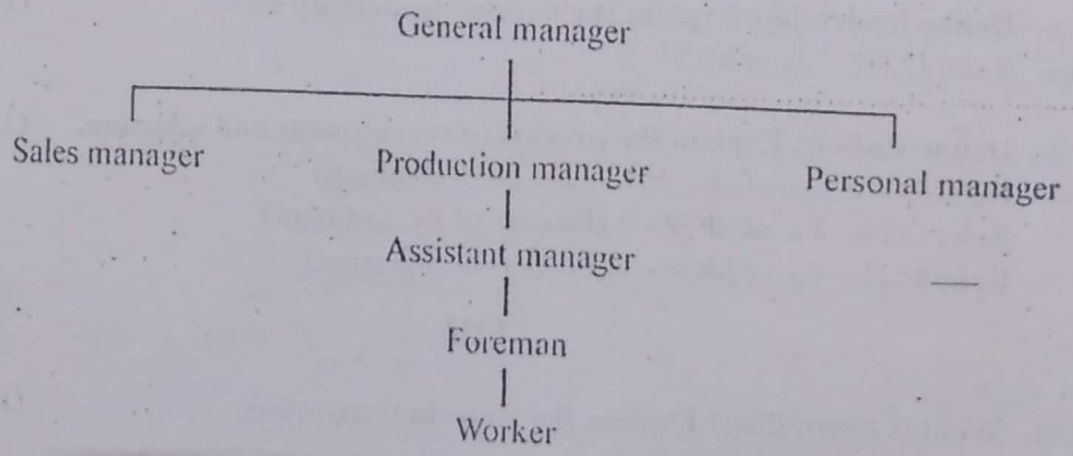
b. Explain types of Planning and Organization. (10 Marks)

Ans. Types of Planning :- Refer Q.No. 1.b. of MQP - 2

Types of Organisation :-

(1) Line organisation :-

This is simplest and earliest form of organisation



- The Quantum of authority is highest at the top and reduces at each successive level down the hierarchy.
- All major decisions and orders are made by the executives at the top level.

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(2) Functional organisation :-

It is the common model found in most organisation. The structure of functional organisation is divided into small groups based on functional areas such as operations, finance marketing, Human resources etc. Under this system the workers receive instructions from different specialists. The workers have to perform a limited number of functions.

(3) Line and staff organisation :-

The line maintains discipline and stability the staff provides expert information. The staff officers do not have any power of command in the organisation as they are employed to provide expert advice to the line officers. The combination of line organisation with this expert staff continues the type of organisation known as line and staff organisation.

(4) Matrix organisation :-

It is organized to managed multiple dimensions. it provides for reporting levels both horizontally as well as vertically and uses cross-functional teams to contribute to functional expertise. This type brings together employees and managers across departments to work toward accomplishing common organisational objectives. This structure promotes motivation among employees and encourages a democratic management style.

(5) Committee organisation :-

These are widely used for the purpose of discharging advisory functions of the management. Committees are usually relatively formal bodies with a definite structure. They have their own organisation. A committee may formulate plans, make policy decisions or review the performance of certain units.

Module-2

3. a. Define leadership. Explain the various leadership styles. **(10 Marks)**

Ans. Refer Q.No. 3.b. of MQP - 1

b. Define staffing. Explain the process of recruitment and selection. **(10 Marks)**

Ans. Refer Q.No. 1.a. of Dec 2017 / Jan 2018 (Staffing)
Refer Q.No. 4.a. of MQP - 2 (Process of Recruitment)
Refer Q.No. 4.a. of MQP - 1 (Process of Selection)

OR

4. a. What is controlling? Explain the steps in controlling. **(10 Marks)**

Ans. Refer Q.No. 4.b. of MQP - 1

b. What is the need for coordination and explain Maslow's hierarchy theory. **(10 Marks)**

Ans. Refer Q.No. 3.a. and 3.b. of MQP - 2

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Module-3

5. a. **Explain various stages in entrepreneurial process.** (12 Marks)

Ans. Refer Q.No. 5.b. of MQP - 1

b. **Explain technical and financial feasibility study.** (08 Marks)

Ans. Refer Q.No. 5.b. of MQP - 3 (Technical Study)
Refer Q.No. 6.b. of MQP - 1 (Feasibility Study)

OR

6. a. **List some of the most commonly attributed reasons for the lack of entrepreneurship in India.** (10 Marks)

Ans. Refer Q.No. 5.b. of MQP - 2

b. **Differentiate between Entrepreneur, Intrapreneur and Managers.** (10 Marks)

Ans. Refer Q.No. 5.a. of Dec 2018 / Jan 2019

Module-4

7. a. **Explain the objectives of market research.** (10 Marks)

Ans. Refer Q.No. 8.b. of MQP - 1

b. **List out the various contents of project report.** (10 Marks)

Ans. Refer Q.No. 7.b. of MQP - 2

OR

8. a. **Explain the guidelines by Planning Commission for Project Report.** (10 Marks)

Ans. Refer Q.No. 7.a. of MQP - 1

b. **Discuss Enterprise Resource Planning and Supply Chain Management.** (10 Marks)

Ans. Refer Q.No. 7.b. of June / July 2018 (Enterprise Resource Planning)
Refer Q.No. 8.a. of MQP - 1 (Supply Chain Management)

Module-5

9. a. **Explain the following: (i) NSIC (ii) DIC (iii) NIMSMIET (iv) NIESBUD (v)KSFC (vi) KIADB** (12 Marks)

Ans. Refer Q.No. 9.a. and 10.b. of Dec 2018 / Jan 2019

b. **What are the different type of patents and explain them.** (08 Marks)

Ans. Refer Q.No. 9.b. of Dec 2017 / Jan 2018

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