

ME MODEL PAPER Qs FINAL PLZ PASS

MODULE 1:

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1. What is management?

—Management is a distinct process consisting of planning, organizing, actuating & controlling performance to determine & accomplish the objectives by the use of people & resources.

or

characterizes the process of leading and directing all or part of an organization, often a business, through the deployment and manipulation of resources (human, financial, material, intellectual or intangible)

Management is a critical element in the economic growth of a country. Management is the dynamic, life giving element in every organization.

2. State and explain the characteristics of management.

1) Management is a continuous process: The process of management consists of planning, organizing, directing and controlling the resources to ensure that resources are used to the best advantages of the organization. A single function alone cannot produce the desired results. Management involves continuous planning, organizing, directing and controlling.

2) Management is an art as well as science: Management is an art in the sense of possessing managing skill by a person. Management is science because certain principles, laws are developed which are applicable in place where group activities are coordinated. This will be discussed in detail later in this chapter.

3) Management aims at achieving predetermined objectives: All organizations have objectives that are laid down. Every managerial activity results in achievement of these predetermined objectives.

4) Management is a factor of production: An enterprise produce goods or services using resources like land, labour, capital, machines etc. These resources themselves cannot realize the organization's goals. The goals are achieved when these are effectively coordinated by the entrepreneur. In case of small enterprises an individual can do such type of job where as in large enterprises the coordination job is done by

management. Therefore, management is a factor of production.

5) Management is decision-making: Decision-making is selecting the best among alternative courses. Decision-making is an important function of a manager. Whatever a manager does, he does it by making decisions. The success or failure of an organization depends upon the quality of decision. A manager must make the right decision at the right time.

6) Universal application: The principles and concepts of management are applicable to every type of industry. The practice of management is different from one organization to another according to their nature.

7) Management is needed at all levels: The functions of management are common to all levels of organization. The functions of planning, organizing, directing, controlling, decision-making are performed by top level as well as lower level supervisors.

8) Management aims at maximum profit: The resources are properly utilized to maximize profit. Maximizing the profit is the economic function of a manager.

9) Dynamic: Management is not static. Over a period of time new principles, concepts and techniques are developed and adopted by management. Management is changed accordingly to the social change.

10) Management as a career: Today management is developed as a career focused on specialization. Marketing management, finance management, personal management, industrial management, production management, quality management are some of the specializations in management. Specialists are appointed at various positions of the organizational hierarchy. Hence management is a career.

11) Management is a profession: Management is a profession because it possesses the qualities of a profession. The knowledge is imported and transferred. The established principles of management are applied in practice. This is discussed in detail later in this chapter.

12) Management is a discipline: Discipline refers to the field of study having well defined concepts and principles. Classifying management as disciplines implies that it is an accumulated body of knowledge that can be learnt. Thus, management is a subject with principles and concepts. The purpose of studying management is to learn how to apply these principles and concepts at right circumstances, at the right time to produce the desired result.

Brief:

1. Continuous process
2. Art and science
3. Predetermined goals

4. Factor of production
5. Decision making
6. Needed at all levels
7. Universally applicable
8. Maximizing profits
9. Dynamic
10. Career
11. Profession
12. Discipline

3. State the functions of management/ management functions/ process of management.

- A. Planning
- B. Organizing
- C. Staffing
- D. Directing
- E. Controlling

Planning:

Planning is the primary function of management. It is looking ahead and preparing for the future. It determines in advance what should be done. It is a conscious determination of future course of action. This involves determining why to take action? What action? How to take action? When to take action? Planning involves determination of specific objectives, programs, setting policies, strategies, rules and procedures and preparing budgets. Planning is a function which is performed by managers at all levels – top, middle and supervisory. Plans made by top management for the organization as a whole may cover periods as long as five to ten years, whereas plans made by low level managers cover much shorter periods.

Organizing:

Organizing is the distribution of work in group-wise or section wise for effective performance. Once the managers have established objectives and developed plans to achieve them, they must design and develop a human organization that will be able to carry out those plans successfully. Organizing involves dividing work into convenient tasks or duties, grouping of such duties in the form of positions, grouping of various positions into departments and sections, assigning duties to individual positions and delegating authority to each position so that the work is carried out as planned. According to Koontz O'Donnel, "Organization consists of conscious coordination of people towards a desired goal".

One has to note that different objectives require different kinds of organization to achieve them. For example, an organization for scientific research will have to be very different from one manufacturing automobiles.

Staffing:

Staffing involves managing various positions of the organizational structure. It involves selecting and placing the right person at the right position. Staffing includes identifying the gap between manpower required and available, identifying the sources from where people will be selected, selecting people, training them, fixing the financial compensation and appraising them periodically. The success of the organization depends upon the successful performance of staffing functions.

Directing:

Planning, organizing and staffing functions are concerned with the preliminary work for the achievement of organizational objectives. The actual performance of the task starts with the function of direction. This function can be called by various names namely —leading, —directing, —motivating, —activating and so on. Directing involves these sub functions:

- a. Communicating: It is the process of passing information from one person to another.
- b. Leading: It is a process by which a manager guides and influences the work of his subordinates.
- c. Motivating: It is arousing desire in the minds of workers to give their best to the enterprise.

Controlling:

Planning, organizing, staffing and directing are required to realize organizational objectives. To ensure that the achieved objectives conform to the pre-planned objectives control function is necessary. Control is the process of checking to determine whether or not proper progress is being made towards the objectives and goals and acting if necessary to correct any deviations.

Control involves three elements:

- Establishing standards of performance.
- Measuring current performance and comparing it against the established standard.
- Taking action to correct any performance that does not meet those standards.

4. State the Functional areas of management or organizational functions.

1. Production
2. Marketing
3. Finance and accounting
4. Personnel

Production:

This is generally put under production manager and he is responsible for all production related activities. This area has a number of activities, few of them are given below:

- Purchasing: This is related with the purchase of various materials required by the organization. Purchasing involves procuring the right quantity of materials at the right quality, at the right time and at the right price from the right supplier.

- Materials management: This involves storing of materials, issue of materials to various departments.
- Research and Development: It deals with improving the existing products and process and developing new products and process.

Marketing:

This area involves the distribution of organizations' products to the buyers. The sub-activities are:

- Advertising: Involves giving information about products to buyers.
- Marketing research: It is related with the systematic collection, analysis of data relating to the marketing of goods and services.
- Sales management: It involves management efforts directed towards movement of products and services from producers to consumers.

Finance and Accounting:

It deals with intelligent investment of financial resources and record-keeping of various transactions. The various sub-functions are

- Financial Accounting: Deals with record keeping of various transactions.
- Management Accounting: Deals with analysis and interpretation of financial records so that management can make certain decisions.
- Costing: It deals with recording of costs, their classification and analysis for cost control.
- Investment Management: Takes care of how financial resources can be invested in various alternatives to maximize returns.
- Taxation: Deals with various direct and indirect taxes to be paid by the organization.

Personnel:

It deals with the management of human resources with the following sub-activities:

- Recruitment and Selection: It deals with recruitment and selection of employees.
- Training and Development: It deals with training of employees and making them more efficient.
- Wage and Salary Administration: Deals with fixing of salaries, job evaluation, promotion, incentives etc.
- Industrial Relations: Deals with maintenance of good employee relations.

5. What are the steps involved in Planning? Explain the importance and purpose of planning process.

Planning is that function of the manager in which he decides in advance what he will

do. It is a decision making process of a special kind. It is an intellectual process in which creative mind and imagination are essential.

NATURE OF PLANNING:

1) Planning is the beginning of the process of management: A manager must plan before he can possibly organize, staff, direct or control. Planning sets all other function into action. Planning is the most basic function of management. Planning is a rational approach for defining where one stands, where one wants to go in future and how to reach there.

2) Planning is an intellectual process: Planning requires managers to think before acting. It is thinking in advance. Planning managers of an organization decide what is to be done, when it is to be done, how it is to be done, and how it has to do it. Decision making is an integral part of planning. It is the process of choosing among alternatives. Obviously, decision making will occur at many points in the planning process.

3) Planning is continuous process: Planning is a continuous process like a navigator constantly checks where his ship is going in the vast ocean. A manager must constantly watch the progress of planning. He must constantly monitor the conditions, both within and outside the organization to determine if changes are required in his plans. Planning is called the principle of navigational change.

4) A plan must be flexible: By flexibility of a plan is meant its ability to change direction to adapt to changing situations without undue cost. The plans must be flexible to adapt to changes in technology, market, finance, personal and organizational factors.

5) Planning is an all pervasive function: Planning is pervasive and it extends throughout the organization. Planning is the fundamental management function and every manager irrespective of level, has a planning function to perform within his particular area of activities. Top management is responsible for overall objectives and action of the organization. Therefore it must plan what these objectives should be and how to achieve them. Similarly a departmental head has to devise the objectives of his department within the organizational objectives and also the methods to achieve them.

IMPORTANCE OF PLANNING:

1) Minimizes risk and uncertainty: By providing a more rational, fact-based procedure for making decisions, planning allows managers and organizations to minimize risk and uncertainty. Planning does not deal with future decisions, but in futurity of present decisions. The manager has a feeling of being in control if he has anticipated some of the possible consequences and has planned for them. It is like going out with an

umbrella in cloudy weather. It is through planning that the manager relates the uncertainties and possibilities of tomorrow to the facts of today and yesterday.

2) Leads to success: Planning does not guarantee success but studies have shown that, often things being equal, companies which plan not only outperform the non-planners but also their past results. This may be because when a businessman's actions are not random arising as mere reaction to the market place Planning leads to success by doing beyond mere adaptation to market fluctuations. With the help of a sound plan, management can act proactively and not simply react. It involves attempts to shape the environment on the belief that business is not just the creation of the environment but its creator as well.

3) Focus attention on the organization's goals: Planning helps the manager to focus attention on the organization's goals and activities. This makes it easier to apply and coordinate the resources of the organization more economically. The whole organization is forced to embrace identical goals and collaborate in achieving them. It enables the manager to chalk out in advance an orderly sequence of steps for the realization of organizations goals and to avoid needless overlapping of activities.

4) Facilitates control: In planning, the manager sets goals and develops plans and to accomplish these goals. These goals and plans then become standards against which performance can be measured. The function of control is to ensure that activities conform to the plans. Thus control can be exercised only if there are plans.

5) Trains executives: Planning is also an excellent means for training executives. They become involved in the activities of the organization and the plans arouse their interest in the multifarious aspects of planning.

6. Explain the types of planning.

STRATEGIC PLANNING	TACTICAL PLANNING
Decides the major goals and policies of allocation of resources to achieve these goals.	Decides the detail use of resources for achieving these goals.
Done at higher levels of management. Middle Managers sometimes not even aware that strategic planning being considered.	Is done at lower levels of management
Long term	Short term

Is generally based on long term forecasts about technology, political environment and is more uncertain.	Is generally based on the past performance of the organization and is less uncertainty
Is less detailed because it is not involved with the day to day operations of the organization	Is more detailed because it is involved with the day-to-day operations of the organization

CONTINGENCY PLANNING is a process through which businesses develop a strategy to deal with unanticipated events that would impede daily activities or normal operations. Time spent in contingency planning equals time saved when a disaster occurs. Effective contingency planning should lead to timely and effective disaster-relief operations.

OPERATIONAL PLANS: Plans aimed at supporting the implementation of tactical plans and achievement of operational goals. Such plans clearly specify the things needed to be done in the short run, in order to achieve the operational goals. These plans are developed by lower level managers after consulting the middle managers. The time period of operational plans is less than one year, such as few months, weeks or even days. The success of strategic and tactical plans depends upon the achievement of operational goals.

DIRECTIONAL PLANS: Refer to the flexible plans and set out general guidelines. Such plans are preferable in dynamic environment where management must be flexible in order to respond to unexpected changes. Manager use the directional plans to remain focused and do not lock themselves into specific goals or course of action.

SPECIFIC PLANS: Those plans which are clearly defined and leave no room for interpretations are called specific plans. Such plans require specific stated objective and do not contain ambiguity. Specific plans require clarity and a sense of predictability that often do not exist therefore they are not preferable.

7. Define Organization and explain the nature of Organization.

1. People: An organization basically consists of group of people who form the dynamic human element of the organization i.e. an identifiable group of people contributing their efforts towards the attainment of goals.

2. Common purpose: Organization helps in identifying the various tasks to be performed which are assigned to the individuals to perform to achieve the common objectives or common purpose of the organization.

3. Coordination: It ensures to achieve coordination amongst the people working in various departments of the organization And ensures integrated efforts to achieve organizational objectives or goals.
4. Authority: It delegates authority to the managers with commensurate responsibility and accountability for the discharge of their duties and also amongst different hierarchical levels in an organization.
5. Environment: Organizations are part of the larger environment and hence they are influenced by the external environment.
6. Division of work: The total work of an organization is divided into smaller activities in the form of different functions & sub functions. It helps in nurturing and growing special skills and talents by the virtue of division of labour.
7. Communication: it facilitates seamless communication.
8. It also aids in achieving financial, physical material and human resources.
9. Organization helps in the realization of the plans made by the managers

8. Explain the nature and importance of Staffing.

The function of staffing is defined as Filling and keeping filled various positions in the organization structure. This includes identifying work force requirements, inventorying the people available, recruiting, selecting, placing, training, promoting, appraising etc...

Nature and Importance of Staffing:

The staffing function has assumed greater significance these days because of various Factors. Though separate departments exist for this yet every manager is engaged in performing the staffing function, when they participate in selection, training and evaluating their subordinates.

1. Increasing size of organization: Advancement in science and technology has given rise to large scale companies employing thousands of employees. The performance of the company depends on the quality and character of the people. This has increased the importance of staffing.
2. Advancement of technology: In order to make use of the latest technology, the appointment of the right type of person is necessary.
3. Long-range needs of manpower: In some industries, labour turn-over is high. The management is required to determine the manpower requirement well in advance.

Management has also to develop the existing personal for future promotion. The role of staffing has also increased because of a shortage of good managerial talents.

4. Recognition of human relations: The behaviour of individuals has become very complicated and hence the human aspect of organization has become very important. Employees are to be motivated by financial and non-financial incentives. Right kind of atmosphere should also be created to contribute to the achievement of organizational objectives. By performing the staffing function, management can show the significance it attaches to the man power working in the enterprise.

Advantages of proper and efficient staffing

- 1) It helps in discovering talented and competent workers and developing them to move up the corporate ladder.
- 2) Ensures greater production by putting the right man in the right job.
- 3) It helps to avoid a sudden disruption of an enterprise's production run by indicating shortages of personnel if any in advance.
- 4) Helps to prevent underutilization of personnel through over manning and the resultant high labour cost and low profit margins.
- 5) Provides information to management for the internal succession of managerial personnel in the event of unanticipated turnover.

9. Explain the contribution of F. W. Taylor to the theory of management.

Scientific Management: Fredric Winslow Taylor(1856-1915) started his career as an apprentice in a steel company in the USA and finally became Chief Engineer. Taylor along with his associates made the first systematic study in management. He launched a new movement in 1910 which is known as scientific management. Taylor is known as the father of scientific management and has laid down the following principles of scientific management.

1. Time and motion study:

started time and motion study under which each motion of a job was timed out with the help of stop watch. It was found that certain jobs could be done quicker when fewer motions were developed and amongst these, the best manner of doing a job was found which replaced the old rule of thumb knowledge of the workman.

2. Differential payment:

New payment plan called the differential payment was introduced which linked incentives with production. under this plan a worker received a low piece rate if he produced the standard number of pieces and high rate if he surpassed the standard which would motivate the workers to increase production.

3. Drastic reorganization and supervision:

Introduced two new concepts: separation of planning and doing along with functional foremanship. Taylor suggested that the work should be planned by the foreman and not by the worker. Foremen should be present as there are special functions involved in doing a job and each of these foremen should give orders to the worker on his specialty.

4. Scientific recruitment and training:

Taylor emphasized the need for scientific selection and development of the worker. He says that management should develop and train every worker to bring out his best facilities and enable him to do a higher, more interesting and more profitable class of work than he has done in the past.

5. Intimate and friendly cooperation between the management and the workers:

Taylor argued that both the management and the workers both should try to increase production rather than quarrel over profits which would increase the profits to such an extent that labour and management would no longer have to compete for them and should sow common interest in increasing productivity.

Contributions:

1. Time and motion studies have made us aware that the tools and physical movements involved in a task can be made more efficient and rationale.
2. Scientific selection of workers has made us recognize that without ability and training a person cannot be expected to do a job properly.
3. The scientific management should be designed to encourage the managers to find the best way of doing the job.

Limitations:

1. Taylor's belief that economic incentives are strong enough to motivate workers for increased production proved wrong as there are other needs such as security, social needs, or egoistic needs rather than financial needs.
2. Taylor's time and motion study is not accepted as entirely scientific as there is no best way of doing the same job by two individuals as they may not have the same rhythm, attention and learning speed.
3. Separation of planning and doing the greater specialization inherent in the system tends to reduce the need for skill and greater monotony of work.
4. Advances in methods and better tools and machines eliminated some workers who found it difficult to get other jobs and caused resentment among them.

10. State and explain Fayol's 14 principles of management.

Henry Fayol is considered as the father of administrative principles. He provided a broad analytical framework for the process of administration.

- 1) Division of work: Management process must produce more and better work with the same effort as the various functions of management like planning, organizing,

directing and controlling. These cannot be performed efficiently by a single proprietor or by a group of directors. Instead, must be entrusted to specialists in related fields.

2) Authority and responsibility: Implies that the manager should have the right to give orders and power to exact obedience and the manager also may exercise formal authority and also personal power. Formal authority is derived from the official position and personal power is the result of Intelligence, experience, moral worth, ability to lead, past service etc. Responsibility is closely related to authority and an individual who is willing to exercise authority must also be prepared to bear responsibility to performers etc. the work in the manner desired.

3) Discipline: Absolutely essential for smooth running of the business and discipline means the obedience of authority, observance of rules, rules of service and norms of performance, respect for agreements, sincere efforts of completing the given job, respect for superiors. Best means of maintaining discipline are (a) good supervisors at levels (b) clear and fair agreements between the employees and the Employer.

4) Unity of command: This principle requires that each employee should receive instructions about a particular job from one superior only. If reported to more than one superior, would result in confusion and conflict of instructions.

5) Unity of direction: Means that there should be complete identity between individual and organizational goals on the one hand and between the departmental goals on the other hand and both should not pull in different Directions.

6) Subordination of individual interest to general interest: In a business concern, an individual is always interested in maximizing his own satisfaction through more money, recognition, status etc. which is against the general interest which lies in maximizing production and hence there is a need to subordinate the individual interest to the general interest.

7) Remuneration: Remuneration paid to the personnel of the firm should be fair and should be based on general business conditions such as cost of living, productivity of the concerned employees and the capacity of the firm to pay. Fair remuneration increases workers efficiency and morale and fosters good relations between them and management.

8) Centralization: The degree of centralization or decentralization of authority must be decided on the basis of nature of the circumstances, size of the undertaking, the type of activities and the nature of organizational structure.

9) Scalar chain: Scalar chain means the hierarchy of authority from the highest executive to the lowest ones for the purpose of communication and states superior-subordinate relationship and the authority of superiors in relation to subordinates at various levels and the orders or the communications should pass through the proper channels of authority along the scalar chain.

10) Order: Putting things in order needs effort and the management should obtain orderliness in work through suitable organization of men and materials and the principle of right place for everything and for every man should be observed by the management which requires the need for scientific selection of competent personnel, correct assignment of duties to personnel and good organization.

11) Equity: Means equality of fair treatment which results from a combination of kindness and justice and employees expect management to be equally just to everybody which requires managers to be free from all prejudices, personal likes or dislikes.

12) Stability of tenure of personnel: Is necessary to motivate workers to do more and better work and they should be assured security of job by management which if not provided they have fear of insecurity of job, their morale will be low and they cannot give more and better work.

13) Initiative: Means freedom to think out and execute a plan which when provided to the employees leads to innovation which is the landmark of technological progress. Initiative is one of the keenest satisfactions for an intelligent man to experience and hence managers are required to give sufficient scope to show their initiative.

14) Esprit de corps: Means team spirit which should be created by the management among the employees and is possible only when all the employees pull together as a team and there is scope for realizing the objectives of the concern and there should be harmony and unity among the staff which is a great source of strength to the undertaking which could be achieved through avoiding divide and rule motto and use of verbal communication and written communication to remove misunderstandings.

11. What are MBO and MBE? Explain.

Management by objectives (MBO):

MBO is a process whereby subordinates and superiors of an organization jointly define common goals, define each individual major areas of responsibility in terms of results expected of him and use these measures as guides for operating the unit and assessing the contribution of each of its members.

Advantages of MBO

- 1) Integration of individual and organizational goals.
- 2) Results in development and utilization of human resources,
- 3) Improvement in productivity
- 4) Improved communication between superiors and subordinates.
- 5) Motivates subordinates at lower levels as they are also part of goal setting
- 6) Increases commitment towards goals
- 7) Helps in performance appraisal

8) Helps to achieve clarity of goals.

The weaknesses of MBO

- 1) Tends to falter without strong, continual commitment from top management.
- 2) Necessitates considerable training of managers.
- 3) Can be misused as a punitive device.
- 4) May cause overemphasis of quantitative goals.

Management by exception (MBE):

Management by Exception is a management style wherein managers intervene only when their employees fail to meet their performance standards. If the employees are performing as expected, the manager will take no action. It is an organizational system in which managers delegate as much responsibility as possible to those who are below them stepping in only when it is absolutely essential. MBE policy focuses on those issues or events in which there is a deviation from the established standard. Management spends its valuable time on important strategic issues. Attention is given only when there is a deviation.

Benefits of MBE

- This approach reduces the frequency of decision making by top management.
- Top management can concentrate on important things.
- It allows lower managers to take decisions.
- It is necessary in big organizations.

MODULE 2:

<https://drive.google.com/file/d/1RaUdC-T2obbFRN2VrtUVZ9Hx5ybtvVuJ/view>

1. Define leadership. Explain various leadership styles.

Leadership is generally defined as influence, the art of influencing people so that they will strive willingly towards the achievement of group goals. A leader is one who guides and directs other people. Leadership is the ability to secure desirable actions from a group or followers voluntarily without the use of coercion.

Traits approach – Trait theories argue that leaders share a number of common personality traits and characteristics, and that leadership emerges from these traits. Early trait theories promoted the idea that leadership is an innate, instinctive quality that you either have or don't have. Now we have moved on from this approach, and we're learning more about what we can do as individuals to develop leadership qualities within ourselves and others.

Traits are external behaviors that emerge from things going on within the leader's mind – and it's these internal beliefs and processes that are important for effective leadership.

Behavioral approach: What does a good leader do? Behavioral theories focus on how leaders behave. Do they dictate what needs to be done and expect cooperation? Or do they involve the team in decisions to encourage acceptance and support.

Under behavioral approach, researchers have studies leadership from three points of view:

- Motivation
- Authority
- autocratic leadership

Refer to notes if you want to expand on this shit nerd

Contingency approach: situation influencing good leadership. the realization that there isn't one correct type of leader led to theories that the best leadership style is contingent on, or depends on, the situation. These theories try to predict which leadership style is best in which circumstance. When a decision is needed fast, which style is preferred? When the leader needs the full support of the team, is there a better way to lead? Should a leader be more people oriented or task oriented? These are all examples of questions that contingency leadership theories try to address.

2. Differentiate between manager and leader.

Manager	Leader
A manager is always put into this position by appointment ahhaha lame	A person can eMerGe as a leader
Managers have some positional power	A leader may or may not have positional power
May or may not have personal power	Always has personal power and rock hard abs
There could be a clash of objectives between manager and followers.	Mutuality of objective between leader and followers
Bureaucratic (lame) and believes in doing things right	Is innovative(cool, sick af, rad) and believes in doing right things damn

3. Explain Maslow's need hierarchy theory of Motivation along with its Merits and Demerits.

An unsatisfied need is the basis for the motivation process. It is the starting point and

begins the chain of events leading to behavior as shown in the figure below.



1. Physiological needs: Rise of the basic physiological needs of life like the need for food, water, air, etc which must be at least satisfied partially for continued survival.

2. Security needs: Needs to feel free from economic threat and physical harm. Need protection from arbitrary lay-off and dismissal, disaster and avoidance of the unexpected.

3. Egoistic needs: are the needs which relate to respect and prestige the need for dominance for example. These can be classified as self-esteem and esteem from others. Self esteem is the need for worthiness of oneself and the need for others to think one is worthy.

4. Self-fulfillment needs: are the needs to realize one's potential, realizing one's own capabilities to the fullest-for accomplishing things in their capacity.

According to Maslow, people attempt to satisfy their physical needs first.

Merits:

- 1) Theory helps to explain why one worker behaves differently from another in a similar situation, and at the same time suggests something that all workers have in common.
- 2) The theory extends to all areas of an individual's life instead of being limited to work situation only.

Demerits:

- 1) The hierarchy of basic needs is not always fixed.
- 2) It is difficult to know about the needs and motives of an individual from the analysis of behavior.

4. Explain process of recruitment and selection process. (actually these topics are covered from notes of module 1 but idk??)

Recruitment: Recruitment refers to the attempt of getting interested applicants and providing a pool of prospective employees so that the management can select the right person for the right job from this pool. The various sources of recruitment are divided into two categories:

- **Internal sources:** involve transfer and promotion. Transfer involves the shifting of an employee from one job to another. Many companies follow the practice of filling higher jobs by promoting employees who are considered fit for such positions. Filling higher positions by promotion motivates employees, boosts employee's morale.

- **External sources:**

1) Direct recruitment: An important source of recruitment is direct recruitment by placing a notice on the notice board of the enterprise by specifying the details of the jobs available. This is also known as recruitment at the factory gate.

2) Unsolicited applications: Many qualified persons apply for employment to reputed companies on their own initiative. Such applications are known as unsolicited applications.

3) Advertising: Large enterprises particularly when the vacancy is for higher post or there are large number of applications use this source where advertisements are made in local and national level newspapers. This helps in informing the candidates spread over different parts of the country. The advertisement contains information about the company, job description, and job specialization etc.

4) Employment agencies: This is the good source of recruitment for unskilled and semi skilled jobs. In some cases, compulsory notification of vacancies of employment exchange is required by the law. The employment exchanges bring job givers in contact with job seekers.

5) Educational institutions: Many jobs in business and industries have become increasingly varied and complex which need a degree in that particular area. That is why many big organizations maintain a close liaison with the colleges, vocational institutes and management institutions for recruitment of various jobs.

6) Labor contractor: Often unskilled and semiskilled workers are recruited through labor contractors.

7) Recommendations: Applicants introduced by friends, relatives and employees of the organization may prove to be a good source of recruitment. Many employers prefer to take such persons because something about their background is known.

Selection: The process of selection leads to employment of persons having the ability and qualifications to perform the jobs which have fallen vacant in an organization. It divides the candidates into two categories; those will be offered employment and those who will not be. The basic purpose of the selection process is choosing the right type of candidate to man various positions in the organization. In order to achieve this purpose, a well, organized selection procedure involves many steps and at each step more and more information is obtained about the candidates.

Selection process/procedure:

1) Application bank: Filling the application by the candidate is the first step in which the applicant gives relevant personal data such as qualification, experience, firms in which he has worked, etc.

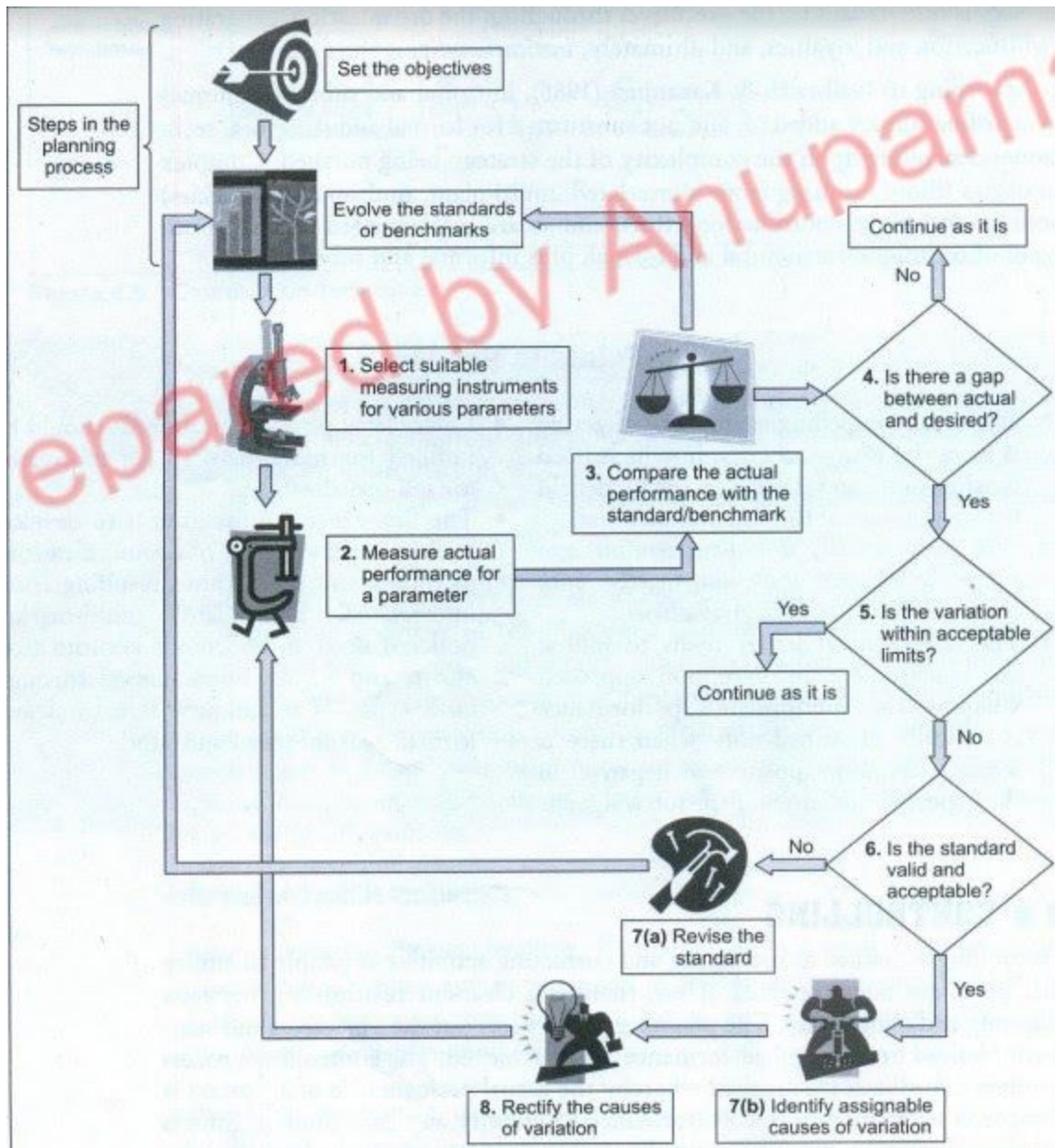
2) Initial interview: Selected personnel based on the particulars furnished in the application are called for the initial interview by the company which is the most important means of evaluating the poise or appearance of the candidate.

3) Employment tests: Are used for the further assessment of the candidate of his nature and abilities certain tests are conducted by the company. these are:

- Aptitude test: is used in finding out whether a candidate is suitable for clerical or a mechanical job which helps in assessing before training as well as how the candidate will perform the job.
- Interest test: is used to find out the type of work in which the candidate has an interest.
- Intelligent test: used to find out the candidate's intelligence and candidate's mental alertness, reasoning ability, poor understanding are judged.
- Trade or performance achievement test: this test is used to measure the candidate's level of knowledge and skill in the particular trade or occupation in which all he will be appointed, in case he is finally selected in this test the candidate is asked to do a simple operation of the proposed job. Example: A candidate for a driver may be asked to drive to test his driving proficiency, a typist may be asked to type out some letters to find out his speed and efficiency.
- Personality test: is used to measure those characteristics of a candidate which constitute his personality. e.g self- confidence, temperament, initiative, judgement, dominance, integrity, originality, personality tests are very important in the selection process.

5. What is controlling? Explain the steps in a control process.

It is defined as measuring and correcting activities of people to ensure plans are being realized. Planning process sets out objectives and standards to achieve them. Controlling ensures that an organization is moving towards meeting these objectives. It involves a feedback mechanism where actual performance of a process is compared with expected performance to identify any existing gaps. If editing, controlling will ensure that required corrections are made to minimize such gaps.



If you want to elaborate check notes i am simply going to close my eyes instead

6. Explain the need for coordination and communication. (coordination covered in next q)

Communication is the process of exchange of information, ideas and opinions which bring about integration of interests, aims and efforts among the members of a group organized for achievement of predetermined goals.

Importance of communication:

- Helps in coordination, thus improving response time and reducing lead time.
- Helps in persuasion of clients and customers to use services offered by a business.
- Crucial in resolving conflicts.
- Effective means to motivate people.
- Medium to connect geographically dispersed employees
- Necessary for feedback and control
- Important for maintaining good public relations
- Improves planning and decision making.

7. Explain the importance of coordination and its techniques.

Coordination deals with the task of blending efforts in order to ensure successful attainment of an objective. It is accomplished by means of planning, organizing, directing and controlling.

importance of coordination:

- Helps in resolving conflicts while improving human relations.
- Fosters teamwork and camaraderie.
- Helps in integration of interdepartmental efforts for the achievement of goals.
- Optimizes use of resources while reducing their wastage.
- Reduces time duration for completion of tasks.
- Provides a more holistic view of organization.

Elaborate on these points if you want i would rather personally just die

Techniques:

- **Departmentalization:**
Grouping of similar organizational activities based on principles of division of work. Provides structure to organizational and informs everyone about who to contact regarding particular activities.
- **Centralization/Decentralization:**
Determines whether decision making authority lies with higher level or lower level of management in organizational hierarchy. Makes people aware of actual decision makers and helps with coordination.
- **Formalization and standardization:**

Extent to which policies, rules, job descriptions etc. have been documented and procedures have been established in an organization. Based on this pre-established structure, people can coordinate their work.

- **Planning:**
Refers to systems and processes such as strategies, budgeting, establishment of schedules, goal setting which will guide activities and actions of individual units. Planning would provide a framework for coordination.
- **Output and behavioral control:**
Refers to coordination mechanisms set up to control activities. Output control is based on evaluation of records, reports, etc submitted by departments to managers. Behavioral control is based on direct personal surveillance of subordinates by the manager.

8. Differentiate between coordination and cooperation.

Coordination	Cooperation
Deliberate effort by a manager	Voluntary attitude of organization members
Orderly arrangement of group efforts to provide unity of action in the pursuit of common objectives	Collective efforts of a group contributed voluntarily towards accomplishing a particular task
Achieved through formal and informal relations	Informal relations
Coordination requires whole hearted support of employees and depts.	Cooperation without coordination is fruitless af :(

MODULE 3:

<https://drive.google.com/file/d/1CsBGup5Xg0HrjfnUr-1AM17jWZPcG-m6/view>

1. Define 'entrepreneur'. Explain the characteristics of entrepreneurs.

Entrepreneur is a person who undertakes an enterprise. The process of creation is called entrepreneurship. An entrepreneur can be considered as a person who bears the risk of operating a business in the face of uncertainty about the future conditions. They innovate and introduce something new in the economy.

The international labour organization defines an entrepreneur as someone who can see and evaluate business opportunities, together with required resources to take advantage of them and to initiate appropriate action to ensure success.

Characteristics of an entrepreneur-

- **Initiative:**
Does things before asked for or forced to and acts to extend business to new areas, products or services.
 - **Perceiving opportunities:**
Identifies business opportunities and mobilizes necessary resources to make use of a good opportunity.
 - **Persistence:**
Takes repeated or different actions to overcome obstacles.
 - **Information gathering:**
Consults experts for biz and technical advice. Seeks information of client or supplier's needs. Personally undertakes market research and makes use of personal contacts for valuable opportunities and information.
 - **Concern for quality:**
Desire to produce or sell better quality products or services.
 - **Commitment:** Makes personal sacrifices to complete jobs, accepts full responsibility for faults, shows utmost concern for customer satisfaction.
 - **Efficiency:** finds ways and means to do things better, faster and more economically.
 - **Planning:** Various inter-related jobs are synchronized according to plan
- I'm just paste screenshot 4 the rest lol

9.	Problem solving	Conceives new ideas and finds innovative solutions.
10.	Self-confidence	Makes decisions on his own and sticks to it in spite of initial setbacks.
11.	Experience	Possesses technical expertise in areas of business, finance, marketing, etc.
12.	Self-critical	Aware of personal limitations but tries to improve upon by learning from his past mistakes or experiences of others and is never complacent with success.
13.	Persuasion	Persuades customers and financiers to patronize his business.
14.	Use of influence strategies.	Develops business contacts, retains influential people as agents and restricts dissemination of information in his possession.
15.	Assertiveness	Instructs, reprimands or disciplines for failing to perform.
16.	Monitoring	Develops a reporting system to ensure that work is completed and quality norms.
17.	Credibility	Demonstrates honesty in dealing with employees, suppliers and customers even if it means a loss of business.
18.	Concern for employee welfare	Expresses concern for employees by responding promptly to their grievances.
19.	Impersonal relationship	Places long-term goodwill over short-term gain in a business relationship.
20.	Expansion of capital base	Reinvests a greater portion of profits to expand capital of the firm.
21.	Building product image	Concerned about the image of his products among consumers and does everything possible to establish a niche for his products in the market.

2. State the factors and functions of women entrepreneurs.

Factors influencing women entrepreneurs:

- Economic independence
- Establishing their own creativity
- Establishing their own identity
- Achievement of excellence
- Building confidence
- Developing risk taking ability
- Motivation
- Equal status in society
- Greater freedom and mobility

Functions of women entrepreneurs:

- Exploration of the prospects of starting a new business

- Pool up the resources
- Establish the industrial enterprise
- Manage the business
- Development of strategies.
- To assume risk & uncertainty
- To develop business & business decision
- Motivation
- Supervision & leadership

3. State the challenges faced by female entrepreneurs and steps to be taken to help develop more female entrepreneurs.

Challenges:

- May lack confidence
- Problem of finance & working capital
- Socio- cultural barriers
- Production problem
- Inefficient Marketing Arrangements
- Male dominated society

Steps to be taken to develop women entrepreneurship:

1. Provide basic education & establish special institutions to train women entrepreneurs.
2. Conduct special workshops to women for better awareness.
3. Liberal financial support to motivate women entrepreneurs
4. Favourable credit policies to women
5. Provide better marketing help to women entrepreneurs
6. Provide need- based training for development of skills & entrepreneurship.
7. Establish self-help groups, Voluntary agencies & social welfare organization for women entrepreneurs
8. Provide concessions to women entrepreneurs.
9. Provide a common platform to all the concerned agencies and R & D organizations to achieve an integrated approach for promoting women entrepreneurs.

4. Explain the various stages of entrepreneurial process.

1. Perceiving identifying opportunity:

Consumers & business association, members of distribution systems, independent technical organizations consult entry etc. government organizations and R&D centers also provide new ideas.

2. Evaluating opportunity:

It involves length of opportunity, its real perceived value, its risks & resources, with personal skills, goals of the entrepreneur & its uniqueness or differential advantages in its competitive environment. Description of product, Agreement of opportunity, Assessment of the entrepreneur, Resources needed, Amount & sources of capital, Profit expected.

3. Drawing up a business plan:

a business plan is nothing but a description of the future direction of the business. A good business plan is very essential to develop the opportunity and to determine the resources received. It formulates all plans i.e Description of business & industry, Technology plan, Financial plan, Organization plan, Production & operation plan, Marketing & distribution plan, Summary.

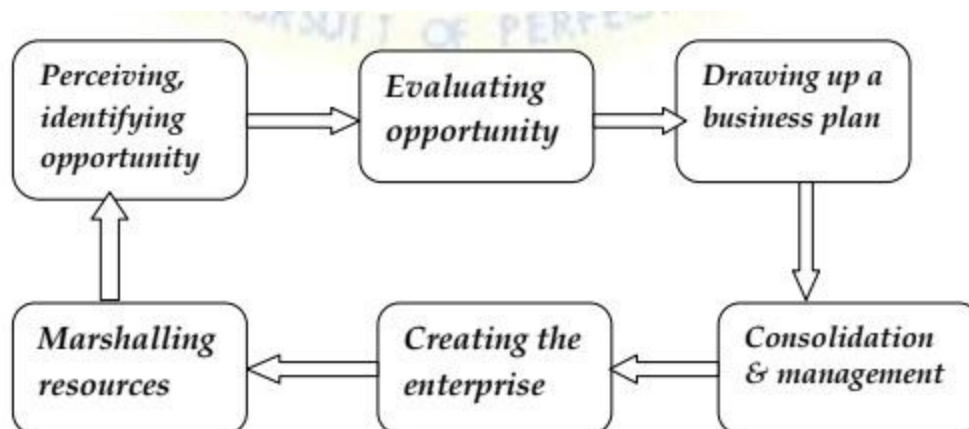
4. Marshalling resources:

An Entrepreneur should have a good idea of the various resources required with respect to quality, quantity, prices and sources. The entrepreneur identifies the sources from where the finance and the human resource can be arranged. Here, the entrepreneur finds the investors for its new venture and the personnel to carry out the business activities.

5. Creating the enterprise:

An entrepreneur decides on the future prospects of the business, i.e. its growth and development. Here, the actual growth is compared against the planned growth and then the decision regarding the stability or the expansion of business operations is undertaken accordingly, by an entrepreneur.

6. Consolidation and management: The operational problems of the growing enterprise must be examined. Once the funds are raised and the employees are hired, the next step is to initiate the business operations to achieve the set goals. First of all, an entrepreneur must decide the management structure or the hierarchy that is required to solve the operational problems when they arise.



5. Differentiate between Entrepreneur, Intraprenur and Manager.

Entrepreneurs	Intrapreneurs
He is independent in his operation.	He is dependent on the entrepreneurs i.e. owner.
He himself raises funds required for the organization.	He does not raise funds for the organization.
Entrepreneurs bears the risk involved in the business.	He does not fully bear the risk involved in the organization.
An entrepreneur operates from outside.	An intrapreneur operates from inside.
Entrepreneurs converts the ideas into viable opportunities.	Intrapreneurs takes the responsibility of creating innovation.
Entrepreneurs takes the profit of the business.	He is provided with a variety of perquisite for his innovation.

Entrepreneur	Manager
The main motive of an entrepreneur is to start a venture for his personal gratification.	Main motive of a manager is to render services in an enterprise already set by someone else.
Owner	Servant
Assumes risk and uncertainty	Manager does not bear any risk involved in enterprise.
Profits, which are highly uncertain and not fixed.	Salary which is certain and fixed.
Entrepreneur himself thinks over what and how to produce goods to meet the changing needs of the customers. Hence he acts as innovator / change agent.	A manager simply executes plans prepared by the entrepreneur.
An entrepreneur needs to possess qualities and qualifications like high achievement motive, originality in thinking, foresight, risk-bearing ability etc.	A manager needs to possess distinct qualifications in terms of sound knowledge in management theory and practice.

6. Discuss technical and financial feasibility study

Project feasibility analysis is carried out to ensure viability of the project.

Technical feasibility:

Technical analysis seeks to determine whether prerequisites for successful commissioning of the project have been considered and reasonably good choices have been made with respect to location, size, and so on. The important questions raised in technical analysis are:

- Has the availability of raw material, power, and other inputs been established?
- Is the selected scale of operation optimal?
- Is the production process chosen suitable?
- Are the equipment and machines chosen appropriate?
- Have the auxiliary equipment and supplementary engineering works been provided for?
- Has provision been made for treatment of effluents?
- Is the proposed layout of the site, buildings and plant sound?
- Have work schedules been drawn up realistically?
- Is the technology proposed to be employed appropriate from the social point of view?

Financial feasibility:

Financial analysis is necessary to ascertain whether the proposed project is financially viable in the sense of being able to meet the burden of servicing debt and whether the proposed project will satisfy the return expectations of those who provide the capital. The aspects to be looked into while conducting financial appraisal are as follows.

- Investment outlay and cost of project
- Means of financing.
- Project profitability
- Break-even point
- Cash flows of the project
- Investment worthiness judged in terms of various criteria of merit
- Project financial position
- Level of risk

7. Discuss different types of entrepreneurs.

Classification of Entrepreneurs based on Functional Characteristics :

a. Innovative Entrepreneurs:

Such an Entrepreneur introduces New Goods / Products / Services or New Methods of Production or discovers New Markets or Reorganizes his Enterprise. Entrepreneurs in this Group are characterized by an aggressive collection of information for trying out Novel Combination of Factors. Such Entrepreneurs do well when a certain level of development is already achieved; they look forward to improve upon the Past.

b. Imitative or Adoptive Entrepreneurs:

Such Entrepreneurs do not Innovate themselves, but Imitate or Copy Techniques & Technology innovated by other Innovative Entrepreneurs. They are characterized by

their readiness to adopt Successful Innovations by other Entrepreneurs. They are particularly suitable for under Developed Regions as Adoption saves Costs of Trial & Error.

c. Fabian Entrepreneur: They display great caution & skepticism in experimenting with any change in their Enterprise. They adopt changes only when there is an imminent threat to the very Survival of their Enterprise.

d. Drone Entrepreneur: These Entrepreneurs are characterized by a Die – Hard Conservative Attitude. They do not easily seize opportunities to make changes in their production techniques or the Technology employed, even at the Cost of Low Returns on their Investments compared to other similar enterprises. Such entrepreneurs may even incur Huge Losses but they will not be ready to make Changes in their existing production techniques

2. Classification of Entrepreneurs on the Development Angle :

- a. Prime Mover: This Entrepreneur sets into Motion a Powerful Sequence of Development, Expansion & Diversification of Business.
- b. Manager: Such an Entrepreneur does not initiate Expansion & is content just staying in Business.
- c. Minor Innovator: He contributes to Economic Progress by finding better use for Existing Resources.
- d. Satellite: The Entrepreneur assumes a Supplier's Role & slowly moves towards a Productive Enterprise.
- e. Local Trading: Such an Entrepreneur limits his enterprise to the Local Market.

3. Classification of Entrepreneurs based on Types of Business :

- a. Manufacturing: Entrepreneur is involved in Production of Value Added Goods by using Various Inputs – Raw Materials, Consumables, Labor, Power & Other utilities. Goods can be a Variety of Products like Castings, Forgings, Soaps, Detergents, Various chemicals, Textiles, Plastic Components, Footwear, School Bags, Electronic & Electrical Items, Computer Related Products etc.
- b. Wholesaling : An Entrepreneur with such a Business sells Products to the Middle Men or Retailers
- c. Retailing: An Entrepreneur with such a Business sells Products directly to the Consumer's or End Users.
- d. Service: An Entrepreneur in this Business sells Services & not the Products.

4. Classification of Entrepreneurs as per the Behavioral Scientists :

- a. Solo Operators: Such Entrepreneurs usually Work alone & if needed at all, employ a few employees to assist. Most of the Entrepreneurs begin their Entrepreneurial Career in this fashion.
- b. Active Partners: These Entrepreneurs start their enterprise in Partnership. All the

Partners actively participate in the Operation of the Enterprise. Entrepreneurs who only contribute funds to the enterprise but do not actively involve in Business Activities are called simply "Partners".

c. Inventors: Such Entrepreneurs with their Competence & Inventive Nature Invent New Products. Their Basic Interest lies in Research & Innovative Activities.

d. Challengers: Such Entrepreneurs plunge into Business because of the Challenges it presents. When One Challenge is satisfied, they will be on the lookout for New Challenges.

e. Buyers: Such Entrepreneurs do not wish to bear much Risk. Hence, in order to reduce Risk involved in establishing a New Enterprise, they wish to buy an Ongoing One.

f. Life Timers: Such Entrepreneurs take Business as an Integral Part of their Life. Usually, the Family Enterprise & Businesses which call for Personal Skills fall in this Category of Entrepreneurs.

5. Classification of Entrepreneurs as per technology:

a. Technical: Concentrates more on production than through sales and marketing through the demonstration of his innovative abilities in matter of production of goods and rendering of services and skills in production techniques.

b. Non-technical: Not concerned with technical aspects of the product and are concerned only with the alternative distribution and marketing strategies to promote their business.

c. Professional entrepreneur:

6. Classification of Entrepreneurs as per Growth

a. Growth: Are those entrepreneurs who take a high growth industry which has substantial growth prospectus.

b. Super growth entrepreneurs: Are those who have shown enormous growth of performance in their venture and Identified by liquidity of funds, profitability and gearing.

7. Classification of Entrepreneurs as per stages of development

a. First generation: One who starts an industrial unit by his innovative skill who essentially an innovator who combines different technologies to produce a marketable product or service.

b. Modern: Undertaking those ventures which suit to the changing and current demands in the market.

c. Classical: Is one who is concerned with the customers an marketing needs through the development of a self-supporting venture and is a stereotype entrepreneur whose aim is to maximize the his returns at a consistent level with the survival of the firm.

8. Classification of Entrepreneurs According to the area

- a. urban
- b. Rural

9. Classification of Entrepreneurs According to the gender

- a. men
- b. Women

10. Classification of Entrepreneurs According to the sale of operation

- a. small
- b. medium
- c. large

8. List out the common reasons for lack of entrepreneurship in India/ Barriers entrepreneurs face.

A large number of entrepreneurs particularly in the small enterprises fail due to several problems and barriers. The greatest barrier to entrepreneurship is the failure of success. Karl. H. Vesper has identified the following entrepreneurship barriers:

1. Lack of a viable concept
2. Lack of market knowledge
3. Lack of technical skills
4. Lack of seed capital
5. Lack of business know how
6. Complacency—lack of motivation
7. Social stigma
8. Time presence and distractions
9. Legal constraints and regulations
10. Monopoly and protectionism
11. Inhibitions due to patents
12. Enfold regulations
13. Obsolescence of technology or idea
14. Unstable & unpredictable markers
15. Globalization & entry of foreign goods
16. Risk all scale units generally use local resources although the market for its products can be far

MODULE 4:

<https://drive.google.com/file/d/1PU1HumnIW4H7PDQY4LfO7-LNP7-fyWI/view>

1. List the process of project identification.

Often intending entrepreneurs always are in search of project having a good market but how without knowing the product cost they determine market whose market they find out without knowing the item i.e. product? Idea generation about a few projects provides a way to come out of the above tangle.

Idea Generation:

The process of project selection starts with idea generation. In order to select the most promising and profitable project, the entrepreneur has to generate a large number of ideas about the possible projects he can take. The project ideas can be discovered from various internal and external sources. These may include:

- (i) Knowledge of potential customer needs.
- (ii) Personal observation of emerging trends in demand for certain products.
- (iii) Scope for producing substitute products.
- (iv) Trade and professional magazines which provide a very fertile source of project ideas.
- (v) Departmental publications of various departments of the government.
- (vi) Success stories of known entrepreneurs or friends or relatives.
- (vii) A new product introduced by the competitor.
- (viii) Ideas given by knowledgeable persons.

All these sources putting together may give few ideas about the possible projects to be examined among which the project must be selected. After going through these sources if an entrepreneur has been able to get six project ideas, one project idea will be finally selected going through the following selection process.

2. Explain various factors to be considered for selection of a project.

Project selection starts once the entrepreneur has generated a few ideas of the project. After having some ideas, these project ideas are analyzed in the light of existing economic conditions, market conditions, and the government policy and so on. For this purpose a tool is generated using what is called SWOT analysis.

The intending entrepreneur analyses his strengths and weaknesses as well as opportunities/competitive advantages and threats/challenges offered by each of the project ideas. In addition the entrepreneur needs to analyze other related aspects also like raw material, potential market, labour, capital, location and forms of ownerships etc. Each of these aspects has to be evaluated independently and in relation to each of these aspects. On the basis of this analysis, the most suitable idea is finally selected to convert it into an enterprise. The process involved in selecting a project out of a few projects is also termed as “Zeroing in Process”.

S (Strengths)	W (Weaknesses)
O (opportunities)	T (Threats)

Important criteria for selection:

Investment Size: This is a very important criterion to decide success or failure of the Project. The Entrepreneur should assess the Economical Size of the Plant & the Total Investment required & should assess his Financial Capability to pool in at least about 25 % of the Investment required for the Project. Entrepreneur therefore, should select only such Projects which are within his

financial resources. You cannot establish an Enterprise only on borrowed funds & this may lead to severe financial problems in the Initial Stages of the Project Implementation itself.

Location: Location chosen should have Good Infrastructural Facilities like Good Approach Road, Transportation Facilities, Communication Facilities, Availability of Power, and Water & required Labor. Also, Location chosen should have good proximity to the Raw Materials as well as to the Market. Entrepreneurs should also examine the Concessions & Incentives offered for a Particular Location as per the Govt. Industrial Policy. It is also advisable to select a location nearer to bigger cities or Industrially Forward Areas rather than setting up an Enterprise in Remote rural or Backward Areas just for the sake of getting better or higher incentives offered by the Govt.

Technology: The Project chosen should not be for a Product which requires sophisticated technology, necessitating Foreign Technical Collaboration. It is better to go in for a Product with a proven technology that is indigenously available & where the Entrepreneur himself is well versed with the required technology.

Plant & Machineries: When deciding on a Project, the Entrepreneur should assess the availability of High Quality Plant & Machineries indigenously. As far as possible, a New First Project by the Entrepreneur should not be planned on Imported Plant & Machineries because of the problems & delays invariably associated with Imports. This may lead to Cost Escalation of the Project, & may affect the implementation schedule of the Project. One should remember that one should not compromise on the Quality of the Equipment even if it is a little expensive in the beginning, as they will pay back in the Long Run due to uninterrupted working. Cheap Poor Quality equipment leads to frequent breakdowns.

Marketing: The Success of any Enterprise finally depends on Marketing Capability of one's Goods/ Products / Services. It is not advisable to get into a Project particularly the first, which would mean survival amidst Cut Throat Competition involving Direct Selling to a large number of Ultimate Customers. One should go in for Products with a Limited Number (say 10 or 15) of established Industrial Customers. This also means that there is a Time Interval involved in between Projects Identification & Final Projects Selection.

3. What is ERP? Explain its importance.

Enterprise resource planning system is a fully integrated business management system covering functional areas of an enterprise like Logistics, Production, Finance, Accounting and Human Resources. It organizes and integrates operation processes and information flows to make optimum use of resources such as men, material, money and machine.

The ERP packages promise the seamless integration of all information flowing through an organization; they are becoming the fastest growing softwares in the world. The ERP vendors like SAP, Oracle, Baan, QAD, J.D.Edwards, Peoplesoft are in demand for their packages. The main task of the ERP system is to deliver products to the companies to manage their internal and external functions efficiently. There are several other advantages of adopting the ERP system, few of them are as follows:

1. Improved efficiency: This is achieved by reduction of cycle time, inventory reduction, order fulfilment, improving support to supply chain, management, etc.
2. Business integration: ERP packages are integrated, i.e. Exchange of data among related business components is possible. In the large companies timing of system constructions, directive differs for each product and department function.
3. Better decision making: The decision making procedure become easier because of highly structured programmed process. These processes governs days to day operations and produces reports in structured form, which are further used by top management of organization to meet with its basic goals and objectives and to monitor the whole organization.
4. Quick response time to customers: The system is easy to operate so, that not much computer skills are required to handle the operations. Because of its comprehensive nature the system avoids unnecessary duplication and redundancy in data gathering and storage. Thus the response time to customer is reduced.
5. Business integration: ERP creates the common database across the organization which is used by various departments within the organization. The ERP supports the flow of information within department automatically. This business integration capabilities makes it easy to group business details in real time and carry out various types of management decision in time. The support systems like DSS can use this common database. Thus information and the data are on the fingertip of top level management.
6. Analysis and planning capabilities: Though different types of decisions support systems and simulation function, ERP makes the analysis of data easier. The DSS also supports the middle and top management for tactical and strategic planning.
7. Technology support: Utilization of latest development in Information technology is quickly adapted by the ERP packages. Distributed system, open system, client server technology, internet, intranet, E - commerce, CALS (Computer aided Acquisition and Logistic Support) are some examples of flexible environment adopted by ERP. The ERP packages itself design in a way that they can incorporate with latest technology even during the customization, maintenance and expansion phases.

Functional areas of Operation/Functional areas of management of ERP

1. Marketing and Sales (M/S)

2. Supply Chain Management (SCM)
3. Accounting and Finance (A/F)
4. Human Resources (HR)

4. Explain marketing and supply chain management.

Marketing and sales:

Functions of Marketing and Sales

- Developing products
- Determining pricing
- Promoting products to customers
- Taking customers' orders
- Helping create a sales forecast

Example: Marketing and Sales tasks for the coffee shop

- Formal record keeping not required
- Need to keep track of customers
- Product development can be done informally
- Good repeat customers allowed to charge purchases—up to a point
- Records must show how much each customer owes and his or her available credit

Supply chain management:

- Supply chain management (SCM) is the active management of supply chain activities to maximize customer value and achieve a sustainable competitive advantage.
- It represents a conscious effort by the supply chain firms to develop and run supply chains in the most effective & efficient ways possible.
- Supply chain activities cover everything from product development, sourcing, production, and logistics, as well as the information systems needed to coordinate these activities.
- Needs information from various functional areas
- Production plans based on information about product sales (actual and projected) that comes from Marketing and Sales
- With accurate data about required production levels:
- Raw material and packaging can be ordered as needed
- Inventory levels can be kept low, saving money
- Functions within Supply Chain Management
- Making the coffee (manufacturing/production)
- Buying raw materials (purchasing)
- Production planning requires sales forecasts from M/S functional area

- Sales forecasts: Analyses that attempt to predict the future sales of a product
- Production plans used to develop requirements for raw materials and packaging
- Raw materials: Bottled spring water, fresh lemons, artificial sweetener, raw sugar
- Packaging: Cups, straws, napkins
- SCM and M/S must choose a recipe for each coffee product sold



Figure 4-4: The Supply Chain Management functional area exchanges data with suppliers and with the Human Resources, Marketing and Sales, and Accounting and Finance functional areas

5. Explain contents of project report.

A project report is like a road map. It is an operating document. What information and how much information it contains depends upon the size of the enterprise, as well as nature of production.

The contents of a project include:

- (1) General information
- (2) Project description
- (3) Market potential
- (4) Capital costs and sources of finance
- (5) Assessment of working capital requirements
- (6) Other financial aspects
- (7) Economical and social variables
- (8) Project implementation

General Information:

The information of general nature given in the project report includes the following:

---Bio-data of promoter: Name and address, qualifications, experience and other capabilities of the entrepreneur. Similar information of each partner if any.

--Industry profile: A reference analysis of industry to which the project belongs, e.g., past performance; present status, its organization, its problems etc.

--Constitution and organization: The constitution and organization structure of the enterprise; in case of partnership firm its registration with registrar of firms, certification from the Directorate of Industries /District Industry Centre.

--Product details: Product utility, product range, product design, advantage to be offered by the product over its substitutes if any.

Project Description:

A brief description of the project covering the following aspects should be made in the project Report.

Site: Location of the unit; owned, rented or leasehold land; industrial area; no objection certificate from municipal authorities if the enterprise location falls in the residential area.

Physical Infrastructure: Availability of the following items of infrastructure should be mentioned in the project report.

(a) **Raw material:** Requirement of raw material, whether inland or imported, sources of raw material supply.

(b) **Skilled labour:** Availability of skilled labour in the area i.e., arrangements for training labourers in various skills.

(c) **Utilities:** These include:

(i) **Power:** Requirement of power, load sanctioned, availability of power

(ii) **Fuel:** Requirement of fuel items such as coal, coke, oil or gas, state of their availability and supply position.

(iii) **Water:** The sources of water, quality and quantity available.

(d) **Pollution control:** The aspects like scope of dumps, sewage system, sewage treatment plant, infiltration facility etc., should be mentioned.

(e) **Communication and transportation facility:** The availability of communication facilities, e.g., telephone, fax, telex, internet etc., should be indicated. Requirements for transport, mode of transport, potential means of transport, approximate distance to be covered, bottlenecks etc., should be stated in the business plan.

(f) **Production process:** A mention should be made for process involved in production and period of conversion from raw material into finished goods.

(g) **Machinery and equipment:** A complete list of machines and equipment required indicating their size, type, cost and sources of their supply should be enclosed with the project report.

(h) **Capacity of the plant:** The installed licensed capacity of the plant along with the shifts should also be mentioned in the project report.

(i) **Technology selected:** The selection of technology, arrangements made for acquiring it should be mentioned in the business plan.

(j) **Other common facilities:** Availability of common facilities like machine shops, welding shops and electrical repair shops etc should be stated in the project report.

(k) **Research and development:** A mention should be made in the project report regarding proposed research and development activities to be undertaken in future.

Market Potential

While preparing a project report, the following aspects relating to market potential of the product of the product should be stated in the report.

(a) Demand and supply position: State the total expected demand for the product and present supply position, what is the gap between demand and supply and how much gap will fill up by the proposed unit.

(b) Expected price: Expected price of the product to be realized should also be mentioned.

(c) Marketing strategy: Arrangements made for selling the product should be clearly stated in the project report.

(d) After sales service: Depending upon the nature of the product, provisions made for after-sales should normally be stated in the project report.

Capital Costs and Sources of Finance:

An estimate of the various components of capital items like land and buildings, plant and machinery, installation costs, preliminary expenses, margin of working capital should be given in the project report. The sources should indicate the owners funds together with funds raised from financial institutions and banks.

Assessment of Working Capital:

The requirement for working capital and its sources of supply should clearly be mentioned. It is preferred to prepare working capital requirements in the prescribed formats designed by limits of requirement. It will reduce the objections from the banker's side.

Other Financial Aspects:

To adjudge the profitability of the project to be set up, a projected profit and loss account indicating likely sales revenue, cost of production, allied cost and profit should be prepared. A projected balance sheet and cash flow statement should also be prepared to indicate the financial position and requirements at various stages of the project. In addition to this, the break-even analysis should also be presented. Break-even point is the level of production at which the enterprise shall earn neither profit nor incur loss. Breakdown level indicates the gestation period and the likely moratorium required for repayment of the loans.

Break-even point is calculated as:

$$\text{Break-Even Point (BEP)} = F/S - V$$

Where F = Fixed Cost

S = Selling Price/Unit

V = Variable Cost/Unit

The break-even point indicates at what level of output the enterprise will break even.

Economical and Social Variables:

Every enterprise has social responsibility. In view of the social responsibility of business, the abatement costs, i.e., the costs for controlling the environmental damage should be stated in the project. Arrangements made for treating the effluents and emissions should also be mentioned in the report. In addition the following socio-economic benefits should also be stated in the report.

- (i) Employment Generation
- (ii) Import Substitution
- (iii) Ancillaration
- (iv) Exports
- (v) Local Resource Utilization
- (vi) Development of the Area

Project Implementation:

Every entrepreneur should draw an implementation scheme or a time-table for his project to the timely completion of all activities involved in setting up an enterprise. If there is delay in implementation project cost overrun. Delay in project implementation jeopardizes the financial viability of the project, on one hand, and props up the entrepreneur to drop the idea to set up an enterprise, on the other. Hence there is need to draw up an implementation schedule for the project and then to adhere to it.

6. Explain the types and methods of report generation.

Status Report

This is the most common type of project report and the one that you probably find yourself working on most regularly. You can produce status reports weekly or monthly – and on one project recently you ended up producing daily status reports during the implementation phase. The frequency depends on where you are in the project and how much there is to say. There's not much point reporting daily if your tasks all take over a week, as you won't have any progress to report from day to day. As you will spend a fair amount of time producing status reports, it is worth considering ways to make it faster to write them. Better yet, automate as much reporting as possible.

Create a standard status report template or use the one that comes with your project management software (you can check out the reporting features of our tool here as an example), and use the data in your scheduling tool to populate the project progress. Even if you have to amend it afterwards, having some of the fields completed for you will still save you a lot of time.

Risk Report

The report is normally the output that comes after a risk review meeting. Of course, you can update your risk log at any time, and you should be encouraging all your project team members to contribute risks to the log whenever they feel something needs recording. The risk report should include a summary of the risk profile of the project, but how you present this is up to you. A good approach would be to only include the detail for the risks that have the potential to create the most problems for your project. Then include a statement on the lower-level risks, perhaps summarizing how you are managing all of these. You will also want the possibility of producing a report about all your risks, regardless of how significant they are. It's probably easiest to do this as an automated download from your project management software, or if you keep your risk log in another format like a spreadsheet, by issuing a complete copy of that document.

Board/ Executive Report:

Reports need to be tailored to the people who are going to read them. So the report you produce for the project board will have a different level of detail in it to the weekly status update that goes to your project team and key business stakeholders. For the project board reports, think high level.

They will want to read about things that are important to them, like issues they can help resolve, a summary of the budget position, and whether or not you are on track to hit key milestones. Make sure that your board report is in a format that they can easily read. For example, if your executives are always on the road and use their smartphones to check emails, don't produce your report in the form of a complicated spreadsheet that won't display correctly, or include loads of large graphics that will take ages to download. A pdf will render across devices if you're emailing a static report. Or you can grant licenses for board members or senior leadership so they can see real-time dashboard reports on the go.

Resource Report:

The resource report will show you the breakdown of which project team member is allocated to which task on which day. They can also be used to pinpoint over allocation problems – where a team member is allocated to more than one task. Obviously they can't work on two things at once, so if you don't pick up these problems you'll find that your project plan slips behind schedule. Use the resource report to ensure that you haven't got clashes for individuals and reschedule those tasks as necessary. Resource reports can also be useful for scheduling more than one person. Overall, resource reports are one of the most useful types of project reports to be had as a project manager, although they can be a bit difficult to interpret at first.

MODULE 5:

https://drive.google.com/file/d/11WZCNYKmjYwBMGeltZ08ieSUYUWen_R9/view

- 1. Explain advantages and disadvantages of small scale industries.**

2. Explain different types of patents.

A patent is an exclusive right granted for an invention – a product or process that provides a new way of doing something, or that offers a new technical solution to a problem. A patent provides patent owners with protection for their inventions. Protection is granted for a limited period, generally 20 years.

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3. Explain steps involved in small scale industries.

1 Project Selection:

Entrepreneur is the Most Important person for the Success of a Project. In order to set up a Small Enterprise, the Entrepreneur has to decide or choose a suitable project. The Entrepreneur has also to decide on a suitable location for the project. Based on these selections, a project feasibility study has to be conducted & then a brief project profile has to be prepared for the proposed project.

The Project Selection & the Preliminary Activities involve the following:

a) Product or Service Selection: This is the first & most important step in setting up a small enterprise. The further prospects, actions & efforts in setting up the small enterprise & commencing its commercial activities successfully depend on this decision. Therefore, the Entrepreneur has to be very careful in the choice or selection of the Project.

The main factors to be considered in deciding a suitable project are as follows:

- 1) Background & Experience of Entrepreneurs
 - 2) Availability of the Right Technology & Know – How for the Project.
 - 3) Marketability of the Product / Service
 - 4) Investment Capacity (i.e., Financial Resources)
 - 5) Availability of Plant & Machinery, Indigenous or Imported
 - 6) Availability of Raw Materials
 - 7) Availability of Proper Infrastructural Facilities i.e. Land/Shed, Power, Water, Communication, Transport etc...
 - 8) Availability of right kind of Labor i.e. Skilled, Semi – Skilled & Unskilled
- Considering all above aspects & taking the help of Governmental Support Organizations like TECSOK, KIADB, KSSIDC etc & even private consultants, the Entrepreneur has to choose & decide the project for implementation.

b) Location Selection:

After deciding on the Project, the next important decision an entrepreneur has to make is about the Location of the Project. There are a Few factors associated with the same:

- 1) Availability of Raw Materials

- 2) Nearness or Proximity to Market
- 3) Availability of Transformation & Communication Facilities
- 4) Availability of Govt Incentives / Concessions
- 5) Govt Industrial Policy
- 6) Availability of suitable Infrastructural facilities
- 7) Availability of Labor
- 8) Convenience for the Entrepreneur"s

c) Project Feasibility Study :

The important facets of Project Feasibility Study are as follows :

- 1) Market Analysis is carried out to find out the aggregate demand of the proposed Product / Service & what would be the Market Share of the proposed project.

- 2) Technical Analysis seeks to determine whether the prerequisites for the successful commissioning of the Project have been considered & reasonably good choices have been made with respect to Location, Size, Process & so on.

- 3) Financial Analysis seeks to ascertain whether the proposed project will be financially viable in the sense of being able to meet the burden of Servicing Debt & Satisfy the return on Investment Expectations of the Promoter"s.

- 4) Economic Analysis (Social Cost – Benefit Analysis) is concerned judging a Project from the larger, social point of view. In such an evaluation, the focus is on the Social Costs & Benefits of the Project.

d) Project Profile: This gives a Bird"s Eye View of the Proposed Project. This may be used for obtaining Provisional Registration Certificate (PRC) from the District Industries Centre & for making an Application to KIADB for allotment of Land or to KSSIDC for allotment of Shed & other Infrastructures.

A Project Profile generally contains information about the Project under the following Heads

- 1) Introduction.
- 2) Promoter(s) Background (Education, Experience).
- 3) Product(s) Service(s) Description (Specification, Uses etc.)
- 4) Market & Marketing.
- 5) Infrastructure needed.
- 6) Plant & Machinery (Description, Capacity, Cost etc.)
- 7) Process Details.
- 8) Raw Materials (Requirements, Specifications, Cost etc.)
- 9) Power, Water & other utilities required.
- 10) Manpower needed (type of Personnel reqd & salaries / wages)
- 11) Cost of the Project & means of finance.
- 12) Cost of Production & Profitability.

e) Business Plan Preparation:

This is a Document where the Entrepreneur plans his Business to have an Organized & effective response to a situation which may arise in future. A Business Plan is used to make Crucial Start Up Decisions to reassure Lenders, Investors, to measure Operational Progress; to Test Planning Assumptions ; to Adjust Forecasts; & to set the standard for good Operational Management. A Workable Business Plan has the following features: Determines where the Company needs to go. Forewarns of possible hurdles along the way. Formulates the responses to contingencies. Keeps the Business on Track to reach its Planned Goals.

2. Decide on the Constitution :

To start any Enterprise, the Promoter"s have to decide on the Constitution of the Unit. There are 3 Major Alternatives:

- a) Proprietary Enterprise: A Single Individual is the Owner of such an Enterprise. The Proprietor may proceed to obtain PRC from the DIC.
- b) Partnership Enterprise (Firm): This is an Association of Two or more Persons, subject to a Maximum of 20 Persons. They are governed by the Indian Partnership Act, 1932 & rules framed there under the State Govt. It is advisable to have a Partnership Deed Agreement on Stamp Paper of Appropriate Value.
- c) Company: This may be a Private or Public Limited Company. A Private Limited Company can be formed with a minimum of 2 Persons & a Maximum of 50 Persons. A Public Limited Company can be formed with a Minimum of 7 Persons & Maximum number of Persons is unlimited. Company is governed by the Companies Act, 1956.

In fact, this has to be decided at the initial stages of the Project & necessary formalities should be completed by the time the application for Provisional Registration Certificate (PRC) is made to DIC (District Industries Centre).

4. Obtaining SSI Registration :

Entrepreneurs desiring to start a Small Enterprise have to initially obtain a PRC (Provisional Registration Certificate). Once the Unit goes into Production, the PRC has to be converted into a Permanent Registration Certificate (PMT).

5. Specific Clearances :

There are a number of Statutory Clearances required to start Micro & Small Enterprises.

Some of them are given below :

- a) Agricultural Land Conversion into Non – Agricultural Land (NA Conversion).
- b) Building Plan approved by the Local Authorities.
- c) Factories Act & Labor Dept.
- d) Trade License from the Local Authorities.

- e) Pollution Control Board Clearances.
- f) Food Adulteration Act License. Etc..

6. Land or Shed Selection :

For any Industrial Project, suitable Industrial Site or a ready Industrial shed is reqd. The Promoters of the Unit could consider taking an Industrial Site & constructing a shed as per their requirement, alternatively, could consider taking a ready Industrial Shed on Ownership Basis also.

Whom to approach:

- i. KIADB for Land.
- ii. KSSIDC for Shed requirement.
- iii. Alternatively, the Entrepreneur can also approach directly the Jt. Director, DIC in the particular District also for requirement of Land / Shed for the proposed Enterprise.

7. Plant & Machinery:

This requirement for a Particular Project could be purchased from recognized manufacturers / dealers. This could also be taken on Hire Basis operated by National Small Industries Corporation Limited (NSIC). This is a Govt of India promoted Corporation.

8. Infrastructure Facilities:

For Micro or Small Enterprises the main infrastructure facilities are Land or Shed for the Project, Power Connection, and Water Supply & Telephone & Internet Facility. As said earlier, for Land or Shed , the Entrepreneur can approach either KIADB or KSSIDC as the case may be. For the requirement of Power, an application may be made to the local electricity company in the region. For Telephone connection & Internet facilities, Entrepreneur has to approach BSNL or other operators. District level Single Window Agency (SWA) assists the Entrepreneur in getting all the above facilities. Hence, the Entrepreneur can forward an Application on a plain paper to the Jt. Director , District Industries Centre of the District giving his requirement of various infrastructural facilities for speedy approval & sanction

9. Project Report:

For any New Project or Enterprise to be set up, Proper Planning is necessary. A detailed Project Report provides such a plan for the Project. The Report is useful to the Entrepreneur for Planning & Implementing the Project. This is essential for Obtaining Finance & other clearances for the Project. In fact, the Project Report gives a detailed insight of the Techno – Economic Viability of the Project.

10. Finance :

Finance for such Projects are under 2 main categories :

- i. Term Loan: For starting a Small Enterprise, Term Loan Finance for the Fixed Assets like Land, Building, Plant & Machinery etc ., can be availed. This Loan can be availed from Karnataka State Financial Corporation (KSFC) & or from the Commercial Banks.
- ii. Working Capital Loan: It is always preferable to approach Commercial banks for Working Capital Loan. All Commercial Banks finance up to 75 % of the Working Capital Loan & the remaining 25 % has to be pooled in by the Promoters.

11. Implementation of the Project :

The Entrepreneurs will have to take necessary steps to physically implement the Project after obtaining the various Licenses, Clearances, Infrastructural Facilities etc. Following are the Major Activities that the Entrepreneurs have to undertake the Project.

- i. Construct Shed
- ii. Order for Machinery
- iii. Recruit Personnel
- iv. Arrange for Raw Materials
- v. Marketing
- vi. Erection & Commissioning
- vii. Obtain Final Clearances

4. Explain KIADB, KSSIDC ,DIC and NSIC

National Small industries Corporation (NSIC)

The National Small Industries Corporation Ltd., an ISO 9001 certified company. — Established in 1955 —Objective :- To fulfill its mission of promoting, aiding and fostering the growth of small and medium enterprises in the country. — Consortia and tender Marketing : To remove the problem of execution of large tenders — exhibitions and technology fairs: To showcase the competencies of Indian SSIs and to capture market opportunities, NSIC participates in select International and National Exhibitions and Trade Fairs every year. --facilitates the participation of the small enterprises by providing concessions in rental etc. —buyer seller meets : Bulk and departmental buyers such the Railways, Defence.

