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Fifth Semester B.E. Degree Examination, Feb./Mar. 2022
Management and Entrepreneurship

Max. Marks: 100

Time: 3 hrs.

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

Module-1

- 1 a. Define 'Management' precisely. Briefly explain the levels of management. (08 Marks)
b. Distinguish between management and administration. (06 Marks)
c. Explain planning premises. (06 Marks)

OR

- 2 a. Explain the process of decision making. (10 Marks)
b. Differentiate between: (i) Strategic planning and tactical planning (10 Marks)
(ii) Single use plans and standing plans

Module-2

- 3 a. What is an organization? Explain the purpose and nature of an organization. (10 Marks)
b. List all theories of motivation and discuss about Maslow's need hierarchy theory. (10 Marks)

OR

- 4 a. What are the essentials of a sound control system in an organization? Explain. (10 Marks)
b. Briefly explain the steps in selection procedure. (10 Marks)

Module-3

- 5 a. What are the major characteristics of an entrepreneur? Explain each in brief. (10 Marks)
b. Define 'business ethics'. Discuss the factors that affect business ethics. (10 Marks)

OR

- 6 a. Explain the meaning of social responsibility. Enumerate a businessman's social responsibilities towards different interest groups. (10 Marks)
b. Discuss the problems faced by entrepreneurs and give the steps for capacity building of entrepreneurship. (10 Marks)

Module-4

- 7 a. Discuss the impact of Globalization on Small Scale Industries in India and the role of WTO. (10 Marks)
b. What are the objectives and functions of KIADB? (10 Marks)

OR

- 8 a. Write a note on single window DIC agency. (10 Marks)
b. Define SSI. Enumerate various objectives of SSI. (10 Marks)

Module-5

- 9 a. Explain the project appraisal and its methods. Briefly explain any two methods. (10 Marks)
b. What is project network analysis? Explain in brief PERT. (10 Marks)

OR

- 10 a. Explain the various guidelines provided by the planning commission for preparation of a project report. (08 Marks)
b. What are the major errors generally made by entrepreneurs during formulating project report? (08 Marks)
c. What are the differences between PERT and CPM? (04 Marks)

Important Note: 1. On completing your answers, compulsorily draw diagonal cross lines on the remaining blank pages.
2. Any revealing of identification, appeal to evaluator and for equations written e.g. 42-8-50, will be treated as malpractice

AVL

Management & Entrepreneurship.

Feb/Mar 2022.

1 @ Define management. Briefly explain the levels of management. (5m)

solⁿ:- Management is a process of planning, decision making, organizing, leading, motivating and controlling the human resources, financial, physical & information resources of an organization to reach its goals efficiently & effectively.

Top levels of Management:-

It consists of board of directors, chief executive managing director. The top management is the ultimate source of authority and it manages goals & policies of an enterprise.

- Top management lays down the objectives & broad lines of the enterprise.
- prepares strategic plans & policies
- controls & co-ordinates the activities of all departments
- provides guidance & directions.

W. Khan

→ Middle level of management

Branch manager & departmental managers constitute middle level. They are responsible to the top management for the functioning of their department.

They devote more time to organizational & directional functions.

- They make plans for the sub units of the organization.
- They participate in employment & training of lower level management.
- responsible for coordinating the activities within the division

Lower level management :-

It consists of supervisors, foreman, section officers etc. according to R.C. Davis "Supervisory management refers to this executives whose work has to be largely with personal oversight & dirⁿ of operative employees.

- Assigning of jobs & tasks to various workers.
- They guide & instruct workers for day to day activities.
- They motivate workers.
- supervise & guide the subordinates.

DMakani

1 (b) Distinguish between Management and administration. (6m)

Management

Meaning → Is an art of things done through others by directing their efforts towards achievement of pre-determined goals.

Nature → Management is an executive function.

Process → It decides who should do it & how should be done.

Function → It is doing function because managers get work done under their supervision.

Skills level → Technical & human middle & lower level function.

Applicability → applicable to business concern i.e profit making organization.

Administration

It is concerned with formulation of broad objectives, plan and policies.

It is a decision making function.

It decides what is to be done & when it is to be done.

It is thinking function. because plans & policies are determined under it.

Conceptual & human top level function.

applicable to non-business concerns, i.e. clubs, schools, hospitals.

1. Explain planning premises (process).

(6m)

→ Recognizing Need for action:

An important part of the planning process is to be aware of the business opportunities in the firm's external environment as well as within the firm.

→ Setting objectives:-

Here the objectives for whole organization & also individual departments are established. Objectives can be long term & short term as well.

→ Developing premises:-

Planning is always done keeping the future in mind. Assumptions are made in the form of forecasts, existing plans, past policies etc.

→ Identifying alternatives:-

To identify the alternatives. There must be available to the manager may be choose an innovative alternate hoping for more efficient results.

→ Examining alternate course of action:-

This process is to evaluate & closely examine each of the alternative plans.

D. Mehta

→ Selecting the alternative:-

This is the decision making stage. The best & most feasible plan will be chosen to be implemented.

→ Formulating supporting plan:-

Management will have come up with one or more supporting plans. These supporting plans help with implementation of main plan.

→ Implementation of plan:-

This is when all other function managers come into play & the plan is put into action to achieve the objectives.

Q. Explain the process of decision making (10m)

Step 1 :- Identify the decision:-

Realize that need to make a decision. Try to define the nature of the decision must take.

Step 2 :- Gather relevant information.

Collect the pertinent information before making decision. What information is needed, the best sources of information

and how to get it. It involves both external & internal work.

Step 3:- Identify the alternative.

All the possible & desirable alternatives are listed.

Step 4:- Weigh the evidence.

Evaluate whether the needed identified in step 1 can be met or resolved through the use of each alternative.

Step 5:- Choose among alternatives.

Select the alternative that seems to be the best.

Step 6:- Take action.

Take some positive action by beginning to implement the alternative chosen in step 5.

Step 7:- Review the decision & its consequences.

Consider the result of decision & evaluate whether or not it has been solved the need identified in step 1.

Step 1

Dhakar

2
⑤ Differentiate between.

1) Strategic planning and tactical planning. (5m)

Strategic planning :-

It is an outline steps designed with the goals of the entire organization as a whole in mind, rather than with the goals of specific divisions. Strategic planning begins with an organization mission strategic plans look ahead over the next two, three or even more years to move the organization from where it currently is to where it wants to be. Requiring multi level involvement, the top management develops the directional objectives for entire organization, while lower management develops compatible objectives & plans to achieve them.

Tactical planning :-

It is concerned with what the lower level units within each division must do how they must do and who is in charge at each level. Tactical plans are concerned with shorter time of narrower scopes than are strategic plans.

Dhekare

ii) Single use plans and standing plans (5m)

Standing plan.

- It is long term approachable plan which is prepared by the top level manager.
- stable in nature
- cannot be changed at any cost
- Used to attain the primary goals of the organization.
- made for long duration of time.

Single use plan

- It is defined as a short term approachable prepared by lower level manager.
- Flexible in nature.
- can be changed as per the conditions.
- used to attain the specific goals
- made for shorter duration of time.

D. Makam

3 @ What is an organization? Explain the purpose of an organization. (10m)

solⁿ:- Organizing is arranging & structuring work to accomplish organizational goals.

Nature of organization:-

Organization as a process: The concept of organizing can be considered as a process because a large number of events or activities are done under the process of organizing involves division of works, determination of activities, grouping of activities, balance among various department of individuals towards the attainment of predetermined goals.

Organization as a structure of relationship:

Organization enters to a structure of relationship, due to involvement of large number of groups. Under the process of organizing the relationship of departments to departments, groups to groups & individuals to individuals are analyzed carefully through the process of communication system with a view to establish proper unity & coordination among them.

3 ⑥ List all theories of motivation & discuss about Maslow's need hierarchy theory. (10m)

Ans:- Motivation theories.

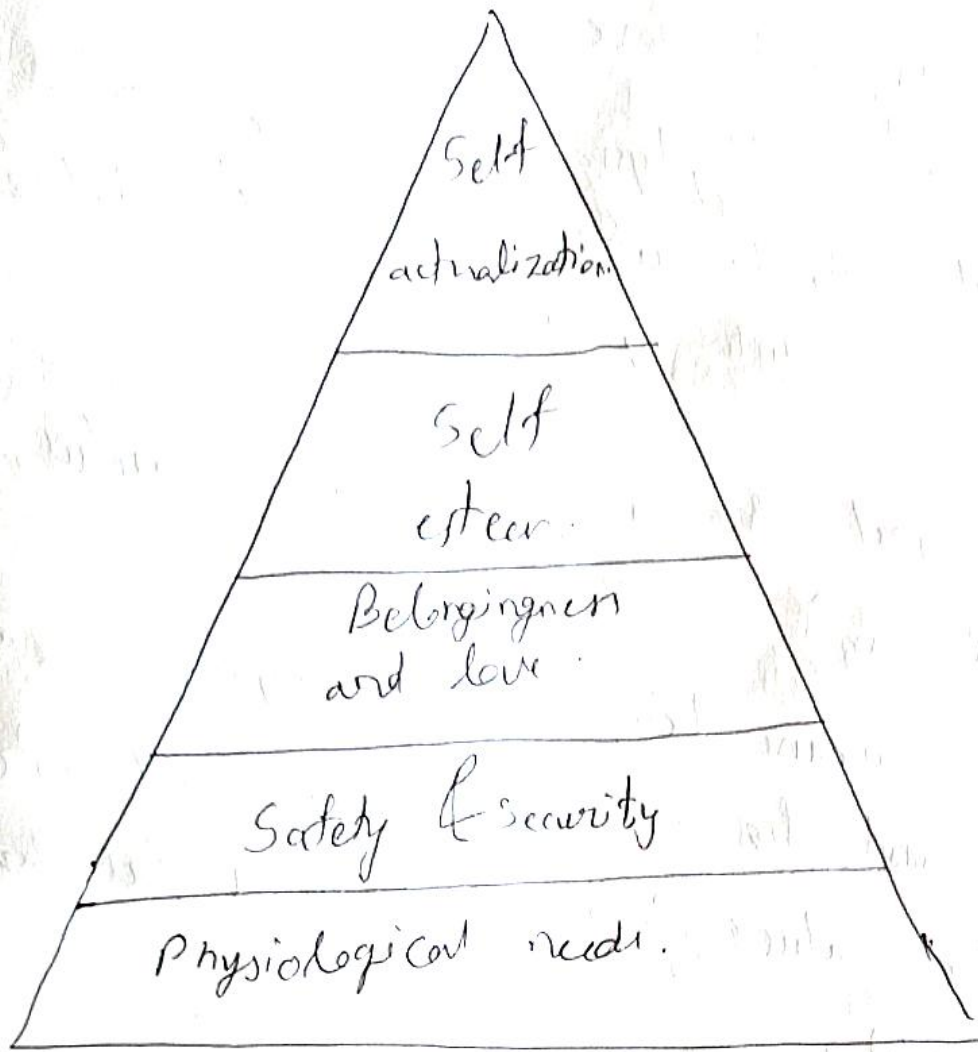
→ Content theories.

- Maslow's hierarchy of needs.
- Alderfer's ERG theory.
- M. Clelland's theory of needs.
- Herzberg's two factors theory.

→ Process theories.

- Skinner's reinforcement theory.
- Vroom's expectancy theory.
- Adams equity theory.
- Locke's goal setting theory.

Waham



1) Physiological needs:-

It includes the most basic needs for human to survive, such as air, water & food. These physiological needs are most dominant of all.

2) Safety and security :-

If the physiological needs are relatively well contented, new needs will appear, the so called safety needs. Safety needs refer to a person's desire for security or protection.

3) Belongingness and love.

→ If both the physiological & the ~~the~~ safety needs are fulfilled, the affection, love, and belongingness needs come into prominence.

4) Esteem (respect for a person as a useful, thoughtful human being).

Esteem means being valued, respected & appreciated by others. and for self - respect or self esteem. This need to be valued, such as being useful and needed in the world.

5) Self-actualization.

Self-actualization reflects an individual's desire to grow & develop to his/her fullest potential.

People like opportunities, choosing his/her own positions, challenging positions on creative tasks.

12/12/2020

Q) What are the essentials of a sound control system in an organization? Explain.

(10M)

1) Suitable:-

The control system should be appropriate to the nature & needs of the activity.

2) Timely & forward looking:-

It should report all the deviations from the standards quickly in order to safeguard the future.

3) Objective and comprehensible:-

Objectives control specify the expected results in clear & definite terms & leave little room for the argument by the employees.

4) Flexible:-

Control system should be flexible so that it can be adjusted to suit the needs of any change in the environment.

Difebari

5) Economical:-

And the benefits derived from the control system should be more than the cost involved in implementing it.

6) Control by expectations:-

In this significant deviations from standards, whether positive or negative requirement management as they constitute exceptions.

7) Prescriptive and operational:-

The system should be prescriptive & operational.

8) Acceptable to organization members:-

When standards are set unilaterally by upper level managers, there is a danger that all employees will regard these standards as unrealistic.

9) Motivation:-

A good control system should be employee oriented. The control system is designed to secure positive reactions from employees.

Dykhare

4 (b) Briefly explain the steps in selection procedure (10m)

Selection process and steps:

→ Employment interviews: Interview is a process in which one on-one session is conducted with the applicant to know a candidate better. It helps the interviewer to discover the inner qualities of the applicant & helps in taking right decision.

→ Checking references: Reference checking is process of verifying the applicants qualification and experiences with the reference provided by him. This reference check helps the interviewer understand the conduct, the attitude and the behaviour of the candidate as an individual and also as a professional.

→ Medical examination: Medical examination is a process in which the physical & mental fitness of the applicants are checked to ensure that the candidates are capable of performing a job or not.

→ This examination helps the organization in choosing the right candidates who are capable of performing physically & mentally fit.

Final selection:-

It is the final process which proves that the applicant has qualified in all the rounds of the selection process and will be issued an appointment letter.

5 @ What are the major characteristics of an entrepreneur? Explain each in brief. (10m)

→ Disciplined:- These individuals are focused on making their business work and eliminate any hindrances to their goals.

→ Confidence:- The entrepreneur does not ask questions about whether they can succeed or whether they are worthy of success.

Q. No. 5

→ Open minded :-

Entrepreneurs realize that every event and situation is a business opportunity. Ideas are constantly being generated about work flows & efficiency, people skills and potential new business.

→ Self-starter :-

Entrepreneurs realize that if something needs to be done, they should start it themselves, they set the parameter and make sure that projects follow the path.

→ Competitive :-

They need to win at the sports they play & need to win at the business that they create.

→ Creativity :-

Entrepreneurs often come up with solution which are the synthesis of other items.

→ Determination :-

Entrepreneurs are not thwarted by the defeats. They look at defeats as an opportunity for success.

L. V. K. S.

→ Strong people skills:-

The entrepreneur has strong communication skills to sell the product and motivate employees.

→ Strong with ethic:-

The successful entrepreneur will often be the first person to arrive at the office and the last one to leave.

→ Passion:-

They are willing to put in those extra hours to make the business succeed because there is a joy in their business which goes beyond the money.

Q (b) Define business ethics. Discuss the factors that affect business ethics. (10m)

Def:- Business ethics is the systematic study of ethical matters pertaining to the business industry and related activities, institutions and beliefs.

Meaning:- Business ethics is the systematic handling of values in business & industry.

24/1/2020

Factors that affect business ethics.

→ corresponds to basic human needs:-

The basic need of human being as they want to be a part of the organization which they can respect & be proud of because they perceive it to be ethical.

→ credibility in public:-

Ethical values of an organization create credibility in the public eye.

→ credibility with employees:-

When employees are convinced by the ethical values of the organization they are working for, they hold the organization in high esteem. HR managers will have credibility with the employees just the organization has credibility in the eyes of the public.

→ Better decision making:-

Respect for ethics will force a management to take various economic, social & ethical aspects into consideration.

L. Vekare

→ Profitability :-

Ethical companies are bound to be successful & more profitable in the long run though in the short run they can lose money.

6@ Explain the meaning of social responsibility. Enumerate a businessman's social responsibilities towards different interest groups. (10m)

solⁿ :-

Social responsibility means that business in addition to maximizing shareholder value must do so in a manner that benefits society. Social responsibility has become increasingly imp to investors & customers who seek investments that are not just profitable but also contribute to the welfare of society & the environment.

Social responsibility means that individuals & companies have a duty to act in the best int of their environment & society as a whole. Social responsibility as it applies to business known as Corporate Social Responsibility (CSR).

Social responsibility towards different groups.

1) Responsibility towards owners:

Owners are the persons who own the business. They contribute capital & bear the business risks. The primary responsibilities of business towards its owner are to:

- run the business efficiently.
- proper utilization of capital & the other resources.
- growth & appreciation of capital.
- regular & fair return on capital invested.

2) Responsibility towards investors:-

Investors are those who provide finance by way of investment in bonds, deposits etc. Banks, financial institutions and investing public are all included in this category. responsibilities are:

- Ensuring safety of their investment.
- Regular payment of interest.
- Timely repayment of principal amount.

Dhakar.

→ Responsibility towards employees :-

The ~~two~~ responsibilities towards ~~to~~ employees include

- Timely & regular payment of wages & salaries
- proper working conditions & welfare amenities
- opportunities for better career prospects
- better living conditions like housing, transport, canteen etc.

Responsibility towards suppliers :-

- Giving regular orders for purchase of goods
- Dealing on fair terms & conditions.
- Availing reasonable credit period
- timely payment of dues.

Responsibility towards customers :-

As a part of the responsibility of business towards them, the business should provide etc. to be facilities.

- Products & services must be able to take care of the needs of the customers.

6) (b) Discuss the problems faced by entrepreneurs & give the steps for capacity building of entrepreneurship.

Problems faced by entrepreneurs.

(10m)

solⁿ:-
1) Cash flow management:-

It is essential to small business survival. yet many entrepreneurs struggle to pay bills while they are waiting for checks to arrive.

2) Hiring employees:-

The hiring process can take several days from reviewing resumes, sitting through interviews, sitting through so many unqualified candidates to find the diamonds in the rough.

3) Time management:-

It might be the biggest problem faced by entrepreneurs who wear many hats.

4) Delegating tasks:-

Need to delegate or outsource tasks, but it seems every time something gets messed up & have to re do it anyway.

5) Choosing what to sell:-

Entrepreneur could make a mint if she knew what products & services to sell.

6) Marketing strategy:-

For maximizing return on investment, with efficient, targeted marketing that gets results-

7) Capital:-

To start or grow business capital is most important thing.

8) Stapped budget:-

Even though cash flow is fine it seems never have enough budget to market to its full potential.

9) Business growth:-

One point come at which entrepreneur can take on any more work in current structure.

D. K. K.

Steps for capacity building of entrepreneurship

Entrepreneur capacity building involves developing the combination of all four capacities & elements through experience throughout career.

1) Operational capacity planning building

It involves working in a variety of business operations for a period of time prior to diving into entrepreneurship.

2) Management capacity building :-

Taking management experience in a field of business will be directly applicable to managing own business.

3) Financial management capacity building

Through a combination of work experience & education, one need to be well grounded & versed in managing finance. Financial reports provide key indicators & info on the business financial health, there is a wealth of info in the financial statements.

7 @ Discuss the impact of globalization on SSJ in india & the role of WTO. (10m)

soln :-

a) Globalization signifies a process of internationalization plus liberalization, in which the world become a small village due to the concept of globalization.

b) The competition has become intense in every field. No fight with game plan to sustain their economy, by introducing new policies & announcing incentives to stay mainly their economic indicators.

c) After the world economy was open to attack, indian economy has initiate to concentrate on the development of small industrial base, which had a positive to the indias GDP, Indias GDP growth is better than other developing countries with developed small industrial sector.

d) The defn of small scale sector is broad from SSJ to small scale enterprises that include all business enterprises in the services sector.

Dhekare

which provide service to industrial sector in addition to small scale industries taking into account all these factors, at present MSME uses an expanded defn of SSI which include:-

- SSI undertaking which are engaged in the manufacturing, processing & preservation of goods in which the investment in plant & machinery set to exceed 5 crore.
- Tiny enterprises whose investment in plant & machinery do not exceed 25 lacs.
- Power looms
- Traditional industries which require high workmanship & techniques & also village & household industries producing common goods & consumption, predominantly by using simple tools.
- The decentralized & informal sectors like handicrafts & hawkeries
- The industry related to services / business enterprises
- Food & agro based industries
- Software industry.

Impact of WTO on SSI

→ The WTO is the umbrella organization for overseeing the implementation of all agreement - multilateral & plurilateral that have been discussed under Uruguay round.

→ It frames international standardized labour wages & working conditions, globalizes the trade & weeds out the corruption at government level while dealing with its procurement policies.

→ It is responsible for settlement of disputes among member nations.

- It facilitates procuring new technologies for different countries at lower cost.

→ It monitors periodically trade policies among member nations.

1 (b) What are the objectives & functions of KIA DB?

10m

Objectives of KIA DB.

- Promote rapid & orderly development of industries in the state.
- Assist in implementation of policies of Government within the purview of KIA DB act.
- Facilitate in establishing infrastructure projects.
- Function on "No Profit - No Loss" basis.

Functions :-

- Acquire land & form industrial areas in the state.
- Provide basic infrastructure in the industrial areas.
- Acquire land for single unit companies.
- Acquire land for government agencies for their schemes & infrastructure projects.

2/6/2020

→ Several financial institutions have been set up at the state level which supplements the assistance provided by the all India institutions.

→ They broadly consist of state financial corporations & state firm industrial development corporations.

8 @ Write a note on single window DIC.

The District Industries Centres (DIC) programme started in 1978 with a view to provide integrated administrative framework at the district level for promotion of SSI in rural areas.

main functions of DIC are:

1) To prepare & keep model project profiles for reference of the entrepreneurs.

2) To prepare action plan to implement the projects effectively already identified.

3) To undertake industrial potential survey to identify the types of feasible ventures which can be set up by in ISB sector.

- 4) To provide guidance for appropriate loan amount & documentation.
- 5) To assist entrepreneurs by availing land & shed equipment & tools, furniture & fixtures.
- 6) To appraise the worthiness of the project - proposals received from entrepreneurs.
- 7) To help the entrepreneurs in obtaining required licenses / permits.
- 8) To conduct product development work appropriate to small scale industry.
- 9) To conduct artisan training programs.
- 10) To act as the nodal agency for the districts for implementing PMRY.
- 11) To function as the technical consultant of DRDA in administering IRDP & TRISEM programme.

Dubane

Q @ Explain the project appraisal - appraisal methods. Briefly explain any 2 methods.

Soln:- Project appraisal is an exercise where a lending financial institution makes an independent & objective assessment of various aspects of investment proposition to arrive at the final decision.

The appraisal of proposed project includes following methods

- | | |
|----------------------|----------------------------|
| 1) Economic analysis | 4) Technical analysis |
| 2) Financial " | 5) Organizational analysis |
| 3) Market " | 6) Managerial " |

1) Economic analysis:

An economic analysis looks at the project from the viewpoint of the whole economy, whether the latter will show benefits sufficient to justify investment.

Alfabe

E	Increased output.
C	Enhanced services.
O	Increased employment.
N	Larger government revenues.
O	Higher earnings.
M	Higher standard of living.
I	Improved national income.
C	Improved income distribution.
A	
S	
P	
E	
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F	Financial soundness.
I	Efficient operation.
N	Cost of production.
A	ROI.
N	Prospectus of marketing.
C	Profitability.
I	Budgeting.
A	Pricing.
L	Effective control.
A	
N	
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Y	
S	
S	

27 Financial analysis.

The purpose of the appraisal of the financial aspects of a project is generally to ensure its initiation of a financial condition for the sound implementation & efficient operation.

R. Sekar

9 (b) Define SS.

(b) What is project network analysis? Explain briefly PERT. (10m)

solⁿ Network analysis refers to a number of techniques for the planning & control of complex projects.

Project formulation & project implementations are essential functions of project management. Project formulation ensures the scientific selection of projects, whereas project implementation ensures an efficient allocation of time & resources to the project.

Different network analysis techniques are

- CPM (Critical path method)
- PERT (Project evaluation & Review Technique)
- GERT (Graphical evaluation & review technique)
- LOB (Line of balance technique)
- WASP (Workshop analysis scheduling process)

Alkhan

PERT :-

PERT means Program evaluation & Review Technique, created by the U.S. Navy after world war II, PERT has become a ~~the~~ regular management strategy for handling large scale, complex projects.

It involves following steps

- Determining project task & milestones.
- Sequence of tasks.
- Graphical representation ~~also~~ using the given tasks.
- Estimation of time frames based on optimistic, probabilistic & pessimistic.
- Estimation of critical path.

R. Lokare

10 @. Explain the various guidelines provided by planning commission for preparation of a project report.

solⁿ :- Guidelines provided by the planning commission for preparation of a project report.

1) General information

Feasibility report should include an analysis of the industry to which the project belongs / part performance / description of industry / allocation of investment funds.

2) Preliminary analysis of alternatives.

A complete list of all existing plants in industry, giving their capacity & their level of production actually attained.

3) Project description.

Feasibility report should mention the technology / process chosen for the project.

Q. Utkarsh

4) Marketing Plan

It should contain the

→ Data on the marketing plan.

→ Demand & prospective supply in each of the areas

→ Selection of market areas.

→ Estimates of the degree of price sensitivity.

→ should contain an analysis of past trends in price.

5) Capital requirements & costs.

The estimates should be reasonably complete & properly estimated.

6) Operating requirements & costs

→ Operating costs incurred after the commencement of commercial production.

→ Information about all items of operating costs should be collected.

7) Financial analysis.

The feasibility report should take into account income tax reliefs for primary industries incentives for backward areas,

8) Economic analysis

Social profitability analysis needs some data in the data relating the costs & returns to the enter.

10 (b) What are the major errors generally made by entrepreneurs during formulating project report?

Sol^m :- Entrepreneurs do make mistakes while selecting & formulating their projects & evolving business plans. Some are:

→ Selection of project area.

Entrepreneurs select wrong area of project or service by studying wrong or ~~extra~~ exaggerated data of particular industries.

Market study and analysis

Market research, study & analysis is a crucial aspect for an entrepreneur in selection of market segment.

Rajkumar

-> Selection of Technology

Any appropriate technology is necessary for any new enterprise for its survival & growth.

-> Optimistic estimates

Over optimistic estimates by an entrepreneur in the area of productivity, capacity utilization, prevailing marketing conditions, wider estimation of competitors & pricing give wrong selection of plants.

-> Ownership form

A suitable ownership form be selected for the project to avoid unnecessary disputes.

-> Selection of location

Location plays an important role in the competitiveness and survival of the enterprise throughout its life.

10 Q) What are the differences betⁿ PERT & CPM?

PERT

- 1) It is event oriented approach
- 2) It allows uncertainty
- 3) It is probabilistic model
- 4) It is time based
- 5) It averages time
- 6) It has three estimates of time

CPM

(4m)

- 1) It is an activity oriented approach
- 2) It does not allow uncertainty
- 3) It is deterministic approach
- 4) It is cost method
- 5) It does not average time
- 6) It has single estimate of time

Difference
(D.V. Jotare)

read