

(DBUS 32)

M.B.A. DEGREE EXAMINATION, DECEMBER 2007.

Final Year

A-Financial Management

Paper II — MANAGEMENT OF FINANCIAL SERVICES

Time : Three hours

Maximum : 75 marks

SECTION A — (3 × 5 = 15 marks)

Answer any THREE of the following.

1. (a) Management of risk in financial services.
- (b) Trading in equity.
- (c) Project financing.
- (d) Debt securitisation.
- (e) Forfeiting
- (f) Operating lease.

SECTION B — (3 × 15 = 45 marks)

Answer any THREE of the following questions.

2. Discuss the financial services management system.
3. Discuss the role of services in the Indian growth process.
4. Discuss the role of private placements in raising resources in the primary capital market.
5. Discuss the factors affecting assigning the credit rating to securities.
6. Discuss the concept of 'venture capital' in detail.
7. Distinguish between operating leases and financial leases.

SECTION C — (15 marks)

Compulsory.

8. A corporation is considering a lease plan for its customers. It desires to lease a piece of equipment priced at Rs. 8,60,000. It estimates the average life of the equipment to be 12 years and the average salvage value Rs.

42,000. The management expects 12% return on its investment. You are required to find out :

- (a) The average lease payment per year without considering salvage value.
- (b) The average lease payment per year considering the salvage value.
- (c) The after-tax cost per year of the average lease to the lessees (customers) who use straight line depreciation and pay taxes at the rate of 40%.

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M.B.A. DEGREE EXAMINATION, DECEMBER 2007.

Final Year

(A–Financial Management)

Paper III — PROJECT MANAGEMENT

Time : Three hours

Maximum : 75 marks

SECTION A — (3 × 5 = 15 marks)

Answer any THREE of the following.

- 1. (a) Concept of Project Management.
- (b) System approach.
- (c) Precedence.
- (d) Functional organisation.
- (e) Project Costing.
- (f) Managing Transition.

SECTION B — (3 × 15 = 45 marks)

Answer any THREE of the following.

- 2. Why is it necessary to define the complexity of a Project?
- 3. Why should the plan be viewed as a value-adding activity?
- 4. In costing proposals, discuss the differences between top-down and ground-up approaches?
- 5. What actions can a Project Manager take to try to ensure effective team-work?

6. Why might the study of time management be fundamental to a Project Manager?
7. Discuss how bench marking may be used in a Project environment.

SECTION C — (15 marks)

(CASE STUDY)

8. The International standard for quality systems BS-EN-ISO 9000 defines the way in which an organisation should set its own standards and provide procedures for reaching those standards. It concerns the way that an organisation operates, rather than the standards of the output itself (Products, services etc). The environment in which the unit was operating was that of intense financial pressure, coupled with the indication that the functions of the unit would be put out to commercial tender in the near future (through-market testing). It was also hoped that the discussion of quality and the formalisation of parts of the organisation would give accountability and help focus on customer needs.

The move to bring their method of operating within the requirements of the standard came as part of the measures to give them an advantage in any future competitive tendering situation for health services. The project was set a target of achieving the necessary certification within two years in some areas, and longer in others. Staff would need to be trained and the necessary documentation (detailing all working procedures) would have to be prepared.

The project was started and a new project manager (called the quality manager) recruited to provide both knowledge and degree of independence from the other functions within the organisation. Across the organisation, there were pockets of enthusiasm, but otherwise annoyance from departmental Managers who saw the changes as being bureaucratic and as interference from outsiders in the way they run their departments. Above all, there was resistance to change which was both obstructive and destructive. The common feeling was that people had enough to do already, and this was an additional workload.

The result of this was that the areas which took the new standard on board and made it work in their way, got through the process earliest and with greatest benefit. On reviewing the implementation, it was shown that one of the reasons that people had opposed the changes was a lack of comprehension as to what they would mean in practice. They could not see how the documentation of adherence to and continuous improvement of working processes, would improve their lives or improve the organisation.

Answer the questions :

- (a) What was the need and how did the project go towards meeting this?

- (b) Describe the complexity of the project.

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M.B.A. DEGREE EXAMINATION, DECEMBER 2007.

Final Year

(B-Marketing Management)

Paper I — SALES AND ADVERTISING MANAGEMENT

Time : Three hours

Maximum : 75 marks

SECTION A — (3 × 5 = 15 marks)

Answer any THREE questions.

1. (a) Sales job Analysis.
- (b) Sales Budgeting.
- (c) Cost Analysis.
- (d) Message Design.
- (e) Advertising Objectives.
- (f) Media Planning.

SECTION B — (3 × 15 = 45 marks)

Answer any THREE questions.

2. Explain the scope and interdependence of sales and distribution management.
3. Explain the stages involved in sales control research.
4. Outline the various methods of evaluating sales force.
5. The role of personal selling varies from industry to industry and from firm to firm. Why?

6. What criteria should be established for evaluating an advertising agency's performance? Explain.
7. Discuss the role of advertising in the modern business world.

SECTION C — (15 marks)

(Compulsory)

8. Bell Electronics manufactured power generating equipment and sold directly to customers as well as through a distribution network. The company itself was only five years old and its sales force was recently expanded to cover several regions, national and international.

The marketing manager felt an urgent need to institute a sales incentive programme to motivate sales managers to increase corporate revenues. His objective was to increase revenues at least 30 per cent over the previous year. He devised a simple system that would reward sales manager if he exceeded his goal which would be set by mutual agreement between marketing manager and sales managers.

The power generating equipment business was extremely competitive. Although, Bell had an approved price list, sales managers would frequently come to their supervisors to allow lower pricing than approved price list. The marketing manager spent considerable amount of time reviewing pricing exceptions. He thought that in the long run this had to stop. The only way to discourage sales personnel from seeking exceptions was to give them clients a price that would win business. But then he had to devise a disincentive to sales personnel from arbitrarily dropping prices to generate larger revenues and obtain incentive bonus. The larger revenues at lower prices would have negative impact on the corporate bottom line.

After many discussions with management, the marketing manager instituted the incentive programme as follows :

- (a) Sales personnel began accruing incentives once they reach 80% of their goals.
- (b) Sales personnel had price flexibility and could quote lower prices if in their judgement it was the only way to win the business.
- (c) At the lowest end of the discretionary price authority the incentive would be very minimal. The incentive would increase as the quoted price increased above the minimum price level. The incentive increased exponentially which meant much larger incentives at higher price levels.

The marketing manager presented this incentive programme to the sales force expecting an enthusiastic support. However, there was virtually no reaction from the sales force.

Questions :

(i) Do you feel this incentive programme will achieve the results desired by the marketing manager?

(ii) Can you suggest alternative sales incentive programme to motivate the sales force?

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M.B.A. DEGREE EXAMINATION, DECEMBER 2007.

Final Year

(B-Marketing Management)

Paper II — MARKETING OF SERVICES

Time : Three hours

Maximum : 75 marks

SECTION A — (3 × 5 = 15 marks)

Answer any THREE questions.

1. (a) Brand and Branding.
- (b) Launch of AAC corporation dollar credit card in India.
- (c) Marketing of cardiac care.
- (d) Implications for advertising Agencies.
- (e) Ind mark.
- (f) Marketing of Logistics.

SECTION B — (3 × 15 = 45 marks)

Answer any THREE questions.

2. What is service? How do services differ from products?
3. Outline the different issues involved in marketing of Educational services.
4. Explain in detail the role and growth of advertising agencies in Indian marketing of advertising services.

5. Explain marketing approach to hospitals in India in the context of elements of the marketing mix.
6. Analyse the growth and development of service sector in India.
7. Discuss various challenges in marketing of consumer banking in India.

SECTION C — (1 × 15 = 15 marks)

(Compulsory)

8. Analyse the following case and answer the questions given at the end :

The Medical Department of Railways is headed by Director General Railway Health Services (DGRHS). He is assisted at the Railway Board by Directors.

Jr. Directors and Dy. Directors and other staff : The Chief Medical Officers (CMO) of all zonal Railways and production units report to him. The CMO is overall incharge of the Medical Department of the zonal railway. CMO is assisted by Dy. CMO, Sr. Medical Officers and other staff at the zonal head quarters level.

The Chief Hospital Superintendent of Central Hospital of the railways and other Divisional Hospitals report to him. The MS/Sr. DM0 is overall in-charge at the level of division.

There are 572 health units and 105 hospitals (9 zonal, 55 divisional and 41 sub-divisional) on Indian Railways. There are a total of about 11,500 beds in the different hospitals. The hospitals have about 2,300 medical doctors, and there are about 56,550 para medical staff to assist them. About 1.56 lakh patients attend the OPD every day. The set up of medical department is given below (from the smallest unit onwards) :

(a) Health Centre : This is the smallest unit and it covers the jurisdiction of about 100 km. It caters to about 200 employees (say 1000 beneficiaries) and has one doctor.

(b) Health Unit : It caters to about 600 employees (3,000 beneficiaries) and has two or three doctors.

(c) Polyclinic : Health unit which has a daily OPD attendance of 300 or more is converted to Polyclinic and has five doctors.

(d) Sub-divisional hospitals : These provide specialist services and have a number of departments. These also have a separate casualty service, which is manned round the clock.

(e) Divisional hospitals : These are the main hospitals of the railway division and are quite big hospitals. Some of these hospitals are in fact as big as the zonal railway hospitals.

(f) Zonal railway hospital : These are the apex hospitals of the zonal railway, and are the main referral hospitals. They have facilities for super specializations – Byculla Hospital has specialised facility for Plastic surgery, Varanasi Hospital for cancer, Perambur Hospital for heart.

All the zonal railway hospitals have a similar structure, system, controls and procedures, and all the them work under identical set of rules. Central Hospital of Northern Railway is discussed in detail to given a general idea of these hospitals.

(i) What are the positive and negative aspects of the above structure? Do you endorse the above structure of the medical organization of Indian Railways?

(ii) Do you suggest any changes in it? Substantiate your answer.

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M.B.A. DEGREE EXAMINATION, DECEMBER 2007.

Final Year

B-Marketing Management

Paper III — RURAL MARKETING

Time : Three hours

Maximum : 75 marks

SECTION A — (3 × 5 = 15 marks)

Answer any THREE questions.

1. (a) Types of intermediaries.
- (b) Product modification.
- (c) Development for rural market.
- (d) Dynamics of distribution process.
- (e) Physical distribution process.
- (f) Package decision.

SECTION B — (3 × 15 = 45 marks)

Answer any THREE questions.

2. Do you consider that the marketing environment differs based on the rural and urban settings?
3. Examine the changing profile of the rural consumer in India.
4. Marketing of consumer durables has to overcome a hundred fold strategy, one for the rural areas and the other for urban areas. Discuss.
5. "The channel management has to be entirely different for rural marketing from that of urban marketing". Comment.
6. What is the media-mix you suggest for rural markets?
7. What are regulated markets? Are they effective in rural markets or urban markets?

SECTION C — (15 marks)

Compulsory.

8 Mr. Sahu is engaged in cultivation of vegetables in a rural area in Orissa. It has become a very big problem for him to sell vegetables grown in the rural area. He found it even more difficult to transport them to Sambulpur since the transport cost has become prohibitively high. At the same time, he would like to continue growing vegetables. There are quite a number of such farmers in that village. What course of action do you suggest to them to solve their problems?

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M.B.A. DEGREE EXAMINATION, DECEMBER 2007.

Final Year

C-Human Resource Management

Paper I — HUMAN RESOURCE PLANNING AND DEVELOPMENT

Time : Three hours

Maximum : 75 marks

SECTION A — (3 × 5 = 15 marks)

Answer any THREE questions.

1. (a) Supply forecasting of HRD.
(b) Development supervision.
(c) HRD in defence.
(d) HRD approach to industrial relation.
(e) HRD in service sector.

- (f) HRD experience.

SECTION B — (3 × 15 = 45 marks)

Answer any THREE questions.

2. Explain the importance of human resource planning in changing industrial environment today.
3. What are the techniques of manpower demand forecasting?
4. How the HRD is useful to the line managers? Illustrate.
5. Explain the HRD practices in a large organisation of your choice.
6. Explain the emerging challenges for HRD professionals.
7. Discuss the role of culture in HRD practices of a global company.

SECTION C — (15 marks)

8. Case Study :

Emily was employed in a consultancy and was frequently on external assignments. Her husband was now to be posted abroad for a period of five years. He was undergoing a hectic training schedule. Emily understood the circumstances and was very comprising with her husbands attitude.

Emily was a software professional and her husband too was a software expert with a management qualification. Incidentally the company was not able to find a replacement for Tom (Emily husband's). So Tom encouraged Emily to put in her resume. Her credentials were impressive and so Emily was selected. Tom was sent on overseas assignment and Emily progressed by leaps and bounds. Emily soon became a valuable asset for the company.

After a period of $4\frac{1}{2}$ years it was time for Tom to comeback home. Here Emily had been promoted to vice-president (software development). Tom on his comeback was offered an equivalent post to his overseas assignment in the software export section. Soon he realised that his designation was below his wife's. Gradually Tom became egoistical and felt stressed and his health was effected. The company was now thoughtful whether to retain him in his present position or to send him on overseas assignment again.

Questions :

- (a) Discuss the company's recruitment procedure.
- (b) Comment on the company's repatriation policy.

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M.B.A. DEGREE EXAMINATION, DECEMBER 2007.

Final Year

(C-Human Resource Management)

Paper II — MANAGING CHANGE IN ORGANISATIONS

Time : Three hours

Maximum : 75 marks

SECTION A — (3 × 5 = 15 marks)

Answer any THREE questions.

1. (a) Managing Resistance to change.
- (b) Quantitative Diagnostic method.
- (c) Work Redesign Model.
- (d) OD in NGO.
- (e) Organisational change programme
- (f) Consultation.

SECTION B — (3 × 15 = 45 marks)

Answer any THREE questions.

2. Explain in detail the impact of culture on organisational change.
3. What is organisational diagnosis? What are its features? Explain.
4. Explain how organisational change becomes necessary and is to be effected.
5. Explain the different models of organisational change.
6. How do you prepare the organisation for effective implementation of change?

7. Explain the implications of change perspectives.

SECTION C — (15 marks)

8. Read the case given below carefully and answer the questions that follows :

ABC Engineering is located in Gaziabad, near Delhi. For 25 years ABC has been in the business of designing, modifying and installing heavy manufacturing equipment. About 2 years ago, ABC became deeply involved in the anti-pollution equipment field. Mr. Ramesh Sharma has been the Manager of the Product Development Department for the last 5 years and initially, he had some serious doubts about this rather rapid expansion of his department.

One of the new young III graduates, Mr. V.K. Kapoor was recruited and posted in this department. Because of his formal education in the field, Mr. Kapoor had been used as an internal consultant on several anti-pollution projects with important clients. His performance was very good and he was given a big raise in his salary. Mr. Kapoor and his boss Mr. Sharma received personal commendation from the Chairman of ABC. When ABC finished its last anti pollution project, Mr. Sharma placed Mr. Kapoor in the design department (with a view to retain his services in the company) rather than losing him through a lay off. During Kapoor's annual performance review meeting Mr. Sharma received a real shock. Mr. Kapoor hinted that he was considering employment elsewhere. Kapoor's attitude about present assignment and his potential for growth at ABC were, to say the least, very indifferent. Mr. Sharma now wonders if his recommendation for Kapoor's sizeable salary increase was justified, or if Kapoor was even worth keeping in the department.

One thing Mr. Sharma wanted to avoid at all cost, was for Kapoor's poor attitude and discontent to infect the other engineers in the Product Development Department.

(a) What are some of the things Mr. Sharma might do to understand the reasons for Mr. Kapoor's attitude?

(b) If you were Mr. Sharma, what would be your next step?

(c) Why does not Mr. Kapoor appreciate Mr. Sharma's concern for him?

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M.B.A. DEGREE EXAMINATION, DECEMBER 2007.

Final Year

(C-Human Resource Management)

Paper III — ORGANISATIONAL DYNAMICS

Time : Three hours

Maximum : 75 marks

SECTION A — (3 × 5 = 15 marks)

Answer any THREE questions.

1. (a) Coalition formation.
- (b) Organisational Ethics.
- (c) Delegation.
- (d) Concept power.
- (e) Burnout.
- (f) System of Roles.

SECTION B — (3 × 15 = 45 marks)

Answer any THREE questions.

2. How Work-Groups are formed? Explain how a work-group is responsible for achieving corporate goals.
3. List and explain the five sources of power and discuss the power tactics of the Top Management.
4. What steps do you suggest to improve Role Efficiency of Managers in the content of Economics Slump?

5. Examine how culture can contribute for the development of a society in modern times.
6. Discuss the importance of ethics in personal and professional life.
7. What is empowerment? Explain the process of empowerment.

SECTION C — (15 marks)

(Compulsory)

8. Tractors India Ltd., which had a profit of over Rs. 3 crores per annum, decided to lose its corporate existence and merge into the tiny, loss-making Spundish Engineers Ltd. The consideration impelling Tractors India to follow this unusual course was believed to be the huge brought forward loss of Spundish Engineers, which would lead to a substantial reduction in the tax liability of Tractors India. Besides, the merger of Tractors Indian with Spundish was a means of avoiding the necessity of seeking Central Government approval under Sec. 72A of the Income Tax Act, which was required for the merger of sick companies with profitable ones.

What were the possible motivating factors underlying the merger other than those mentioned above? Also discuss the above case with particular reference to attitude of Tractors India Ltd.

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M.B.A. DEGREE EXAMINATION, DECEMBER 2007.

Final Year

(D–International Management)

Paper I — INTERNATIONAL BUSINESS

Time : Three hours

Maximum : 75 marks

PART A — (3 × 5 = 15 marks)

Answer ALL questions.

1. (a) Comparative Advantage.
(b) Immobile Resources.
(c) Support Activities.
(d) Value chain.
(e) Polycentric.

- (f) Staffing Policy.

PART B — (3 × 15 = 45 marks)

Answer any THREE questions.

2. Discuss the role and significance of IB. What are its functions and limitations? Explain.
3. Explain the concept of strategic planning. How does strategic planning differ from operational planning?
4. What are the critical elements of the multinational corporate culture? Explain each element with examples.
5. Explain the importance of control in a business organization. What are the requirements of an effective control system?
6. Explain the different types of strategic policy. What are its advantages and limitations?
7. Explain the term and conditions under multinational agreements? What are its merits and demerits?

PART C — (15 marks)

(Compulsory)

8. Case study

Indo Becoming a Multinational Company

Indo Raja Ltd., is a very successful textile company dealing in ready-made garments. With its aggressive marketing and best quality management, company enjoys 50% market share with a total turnover of Rs. 7,000 crore. Company has got eight regional offices with headquarters based in Mumbai. Its present organisational structure is very informal without any bureaucratic barriers in its internal operations. Company's decision-making process is very efficient and operational control system is fantastic. (This system is supposed to be unique in its nature and functioning). 'Individual employee productivity' of this company is extra ordinary and 'organisational loyalty' is unparalleled. Company has got certain traditional features (which may become a hurdle in its global growth tomorrow) as follows

- (a) Ad hoc promotion policy.
- (b) Centralised power at higher-level.

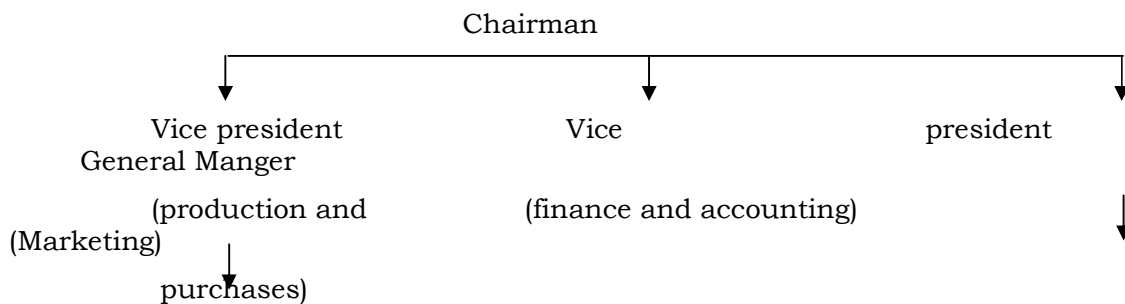
- (c) Poor remuneration-package at lower-level of employment.
- (d) Extreme use of costs-benefit analysis (even for minute details).
- (e) Absence of planned human resource development.
- (f) Absence of formal communication with customers.
- (g) No belief in structured promotion programme.
- (h) Allowance for heavy political lobbying.
- (i) No belief in strengthening equity base
- (j) Absence of transparency in budget-targets.
- (k) Absence of company's own (in-house) product development programme.

With the exit of 'multi-fibre agreement' and 'quota system', the international market is going to be very attractive and dynamic. Export incentives have been growing with liberalised export policy. India's economic reforms are now inviting bigger participation of the foreign multinational companies. Indian companies have now realised the theory of 'collaborated efforts' for sustaining their success. The principle of 'if you cannot beat them, Join them' is essentially becoming a practical reality for the Indian companies.

Indo Rajanow plants to become a real multinational company with global presence. Company has consulted an international consultancy firm for a detailed action plan. The consultants carry an opinion that the company should first be restructured and then poise to become an Indian multinational company.

Company's top executives believes that their aggressive management style will alone give them the success in international market. They also believe that there is nothing like 'brand equity'. 'Bottom-line should always decide the pragmatism behind any decision.

Company's present structure (which is very fluid) is as follows



Area Manager

Regional Manager

(production centres)

90% of company's present investment has been funded by equity and reserves. Remaining 10% of the investment has been financed by inter company borrowings. As company belongs to a strong business group dealing in steel, transportation, cement and pharmaceuticals, it also enjoys the benefit of 'group image'. Other sister companies in the group have recently raised money from the Europa Market. Becoming multinational may be achieved through the following :

- (i) Collaboration with a foreign company.
- (ii) Creating production base in other developing countries in South Asia.
- (iii) Developing company's own marketing network in the development countries.
- (iv) Creating subsidiaries in developed and developing countries.
- (v) Attempting global business in other correlated product-areas.

Questions :

Design a strategic and phased out plan for this company to become a multinationals corporation.

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M.B.A. DEGREE EXAMINATION, DECEMBER 2007.

Final Year

D-INTERNATIONAL MANAGEMENT

Paper II — INTERNATIONAL FINANCIAL MANAGEMENT

Time : Three hours

Maximum : 75 marks

PART A — (3 × 5 = 15 marks)

Answer any THREE questions.

1. (a) Foreign Exchange Risk.
- (b) Dividend Remittances.
- (c) Inventory stock piling.
- (d) Transfer pricing.
- (e) Opening of the economy.
- (f) Real exchange rate.

PART B — (3 × 15 = 45 marks)

Answer any THREE of the following.

2. Why do firms globalised? Why international financial management is important for a globalised firm?
3. What are swaps? Explain the various types of swaps. Bring out differences among them.
4. What do you mean by a multinational corporation? In what respects its environment is different from the environment of a domestically oriented company.
5. Explain the role and significance of government intervention in Forex Market. What are its limitations?
6. Explain the various techniques of management of inventory. What are its objectives?
7. Explain the various components of International Financing Decision. How does it functions?

PART C — (15 marks)

Compulsory.

8. Your broker has forwarded you the following data on forex and money market.

Forex market data :

Spot rate S (\$/BP) = \$ 2,4000/BP

Three months forward discount on British pound = 3%.

Money market data :

BP three month treasury bill rate = 13%

Dollar three month treasury bill rate = 10%.

How can you capitalise on the situation?

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M.B.A. DEGREE EXAMINATION, DECEMBER 2007.

Final Year

D-International Management

Paper III — INTERNATIONAL MARKETING

Time : Three hours

Maximum : 75 marks

PART A — (3 × 5 = 15 marks)

Answer any THREE questions.

1. (a) Domestic market.
- (b) Exchange rate fluctuation.
- (c) Non tariff barriers.
- (d) Foreign Un controllables.
- (e) Blue angel.
- (f) Global brands.

PART B — (3 × 15 = 45 marks)

Answer any THREE questions.

2. Define international marketing. Explain its size and scope.
3. What are implications of tariff in the international marketing? Explain its limitations.
4. What are the two most important provisions of the export trading company act? Discuss with examples.
5. Explain the economic effects of major trade imbalances such as those caused by petroleum imports.
6. What is sales promotion and how is it used in international marketing?

7. Discuss the benefits to an MNC of accepting the global market concept. What are its objectives and limitations?

PART C — (15 marks)

Compulsory.

8. Case : Competitive instruments for the Next Decade.

MCT Ltd. is a well-known industrial investment institute, with a major share in development banking business in the domestic as well as foreign markets. It has subsidiaries involved in banking, venture capital, shipping and credit rating business.

With the liberalisation of the capital markets in India, fund-raising and fund deployment have become very competitive. The Indian companies now enjoy direct access to the foreign capital markets, at reasonable interest rates. The Indian mutual funds (both private and government) are also doing very well. With this background of competition, MCI has decided to be aggressive in marketing its products.

Broadly it has decided on the following :

- (a) New instruments of finance, to raise cheaper and longer funds.
- (b) Functioning in niche markets.
- (c) Improving investment portfolio.
- (d) Development further credit creation.
- (e) Implementing the concept of responsibility accounting.
- (f) Improving information system.

Questions :

- (i) Elaborate on the above six point programme.
 - (ii) What type of new instruments do you suggest for fund-raising and fund-deployment?
-