

PANIMALAR INSTITUTE OF TECHNOLOGY

JAISAKTHI EDUCATIONAL TRUST

BANGALORE TRUNK ROAD, VARADHARAJAPURAM

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DEPARTMENT OF MECHANICAL ENGINEERING

PART - A QUESTIONS & ANSWERS

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PART -B & C QUESTIONS

IV YEAR / VIII SEMESTER

YEAR 2021-2022

PANIMALAR INSTITUTE OF TECHNOLOGY

Bangalore Trunk Road, Nasarathpet, Poonamallee, Chennai- 600 123

DEPARTMENT OF MECHANICAL ENGINEERING

IV YEAR/ VIII SEMESTER - QUESTION BANK

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MG8091 - ENTREPRENEURSHIP DEVELOPMENT

UNIT I - ENTREPRENEURSHIP

PART A (2 Marks)

1. Who is an entrepreneur? (April/ May - 2018), (April/ May - 2019),(Nov/Dec 2019)

- A person who is able to identify business opportunities and implement actions to maximize on the opportunities.
- An entrepreneur initiates enterprise creation, undertakes risks, and manages resources to establish and operate a business enterprise that is capable of self-sustainability.

2. Who is an intrapreneur?(Nov/Dec 2018)

- Intrapreneur is an employed staff (e.g. manager who innovates for the company and takes risks only on behalf of the employer.
- They are creative people usually working together as teams, who function as entrepreneurs within corporations.

3. Who is co-preneurship?

- Copreneurs is a subset of family business and is the fastest growing segment of small business activity.
- Married couples who share ownership, management and responsibility for a business known as co-entrepreneurial couples.
- Co-preneurs have committed relationship based on emotional ties and trust with a marked division of labor and responsibilities.

4. What is Intrapreneurship?

- This is the development within a large co-operation of internal markets and relatively small autonomous business units producing products, services or technologies that employ the firms resources in a unique way.
- It gives managers of the co-operation the freedom to take initiatives and by new ideas.

5. Who are ultrapreneurs?

- Today entrepreneur needs to have a different mindset about establishing and operating a business. This mindset is called ultrapreneuring.
- Ultrapreneurs identify business opportunity, determine its viability and form a company
- They require assembling super competent management team, who then develop, produce and market the product or service in the shortest optimum time period.
- They create business and then sell out, merge or combine.

6. List out the entrepreneurial contributions to economic development.

- Utilization of local resources
- Promotion of Technology
- Capital formation
- Creation of employment opportunities
- Promotion of an entrepreneurial culture
- Export Promotion
- Favorable balance of payment

7. List out the factors to be considered before becoming an entrepreneur?

- Business Idea
- Skills (Technical/Managerial)
- Market
- Capital (Opening. Working or Long Term)
- Machinery (Technology)
- Raw Materials
- Location (Strategic)
- Legal Issues
- Competition

8. What the characteristics/traits of an entrepreneur?

- An eye for opportunity
- Independence
- An appetite for hardwork
- Self-confidence
- Discipline

- Judgment
- Ability to accept change
- Focus on profits
- Risk bearing
- Locus on control
- Creative and Innovators

9. Difference between entrepreneur and entrepreneurship.

Entrepreneur	Entrepreneurship
Entrepreneur is a person who is willing to launch a new venture or enterprise and accept full responsibility for the outcome.	Entrepreneurship is one who undertakes innovations, finance and business acumen in an effort to transform innovations into economic goods.
Entrepreneur is an individual who take upon himself the risk of going into business with the aim of making profit	Entrepreneurship is the combining of all factors of production which include LAND,LABOUR and CAPITAL
Entrepreneur one who undertakes and operates a new enterprise and assumes some accountability for the inherent risks.	The process in which an entrepreneur starts and operates his business enterprise is entrepreneurship.

10. Difference between entrepreneur and intrapreneur. (Nov/Dec 2019)

Characteristics	Entrepreneur	Intrapreneur
Primary Motives	Wants freedom, goal oriented, self-reliant, and self-motivated	Wants freedom and access to corporate resources, goal oriented and self-motivated, but also responds to corporate rewards and recognition.
Time Orientation	Uses and goals of 5 to 10 year growth of the business as guides; takes action how to next step along the way	End goals of 3 to 15 years, depending on the type of venture;
Focus of Attention	Primarily on technology and marketplace,	Both inside and outside; sells insiders on needs of venture and market place but also focuses on customers.
Attitudes towards Risk	Likes moderate risk; invests heavily but expects to succeed,	Like moderate risks; generally not afraid of being fired, so sees little personal risk,

11. Difference between Entrepreneur and Manager

Bases of Difference	Entrepreneur	Manager
Motive	Start a venture by setting up an enterprise. He understands the venture for his personal gratification.	Render his services in an enterprise already set up by someone else i.e., entrepreneur.
Status	Owner of the enterprise.	Servant in the enterprise owned by the entrepreneur.
Risk Bearing	Assumes all risks and uncertainty involved in running the enterprise.	Does not bear any risk involved in the enterprise.
Qualification	High achievement motive, originality in thinking, foresight, risk-bearing ability and so on.	Possess distinct qualifications in terms of sound knowledge in management theory and practice.

12. What are the functions of Entrepreneur?

- Risk-bearing function
- Organizational function
- Innovative function
- Managerial function
- Decision making function

13. List out the types of entrepreneurs(April/ May - 2018) (Nov/Dec 2018), (April/ May - 2019)

Based on type of business <ul style="list-style-type: none">• Trading• Manufacturing• Agricultural	Based on Technology <ul style="list-style-type: none">• Technical• Non-Technical	Based on Ownership <ul style="list-style-type: none">• Private• State• Joint
Based on Gender <ul style="list-style-type: none">• Men• Woman	Based on Size of Enterprise <ul style="list-style-type: none">• Small-Scale• Medium Scale• Large Scale	Based on Clarence Danhof <ul style="list-style-type: none">• Innovative• Imitative• Fabian• Drone

14. Innovative Entrepreneur.

- Innovative entrepreneur is one who assembles and synthesis information and introduces new combinations of factors of production.
- These entrepreneurs sense the opportunities for introduction new ideas new technology, new markets and creating new organizations

15. Imitative / Adoptive Entrepreneur

- Imitative entrepreneur is also known as adoptive entrepreneur.
- Simply adopts successful innovation introduced by other innovators.
- Imitate the existing entrepreneurs and setup their enterprise in the same manner.
- They adopt technology, which is already tested, they generate ample employment avenues for the youth and therefore they are treated as agent of economic development.

16. Fabian Entrepreneur

- Fabian entrepreneur is timid and cautious.
- They are very much skeptical in their approach in adopting or innovating new technology in their enterprise.
- They love to remain in the existing business with the age-old techniques of production
- They only adopt the new technology when they realize that failure to adopt will lead to loss or collapse of the enterprise.

17. Drone Entrepreneur

- Drone entrepreneurs are conservative or orthodox in outlook.
- They always feel comfortable with their old fashioned technology of production even though the environment as well as the society have undergone considerable changes.
- They are laggards as they continue to operate in their traditional way and resist changes

18. Who is a social entrepreneur?

- Social entrepreneurs are individuals with innovative solutions to society's most pressing social problems.
- They are ambitious and persistent, tackling major social issues and offering new ideas for wide-scale change.

19. Who is woman entrepreneur?

- Woman entrepreneur defined as a woman or group of women who initiate, organize and run a business enterprise.
- Woman entrepreneurs are confident, innovative and creative woman capable of achieving self-economic independence individually or in collaboration, generates employment opportunities for others through initiating, establishing and running the enterprise by keeping pace with her personal, family and social life.

20. Problems faced by woman entrepreneurs?

- Problem of finance
- Scarcity of raw materials
- Limited Mobility
- Lack of Education

- Male dominated society
- Low Risk bearing ability

21. What are the role entrepreneurship in developing economic society?

- Rural Entrepreneurship
- Tourism Entrepreneurship
- Agricultural Entrepreneurship
- Social Entrepreneurship

22. Why many entrepreneurs fail?

- The goals set are unreasonable and unmeasurable
- Has not made a total commitment to the business
- No experience in the planned business
- No sense of potential threats or weakness to the business
- Not properly collecting information from customer for the proposed product or service.

PART B (16 Marks)

1. What do you understand by the term 'entrepreneur'? Give the main characteristics of an entrepreneur.
2. Explain the main functions performed by the entrepreneurs.
3. Explain the types of entrepreneurs. **(April/ May - 2017)(Apr/May 2021)**
4. Briefly explain the concept of entrepreneur. How does an entrepreneur differ from a manager?
5. What is meant by Intrapreneur? How will you distinguish intrapreneur from entrepreneur? **(Nov/Dec 2018),(Apr/May 2019), (Nov/Dec 2019)**
6. Write notes on a) Innovative Entrepreneurs
b) Intrapreneur
c) Imitative Entrepreneur
7. What are the Barriers of entrepreneurship?
8. Explain in Brief the factors affecting the growth of entrepreneurship**(April/ May - 2018),
(Nov/Dec 2018),(Apr/May 2019)**

9. Explain how non-economic factors help in developing entrepreneurship.
10. Give a brief account of the origin of the entrepreneurial concept
11. Describe the knowledge and skill required for an entrepreneur.
12. Critically discuss the role of entrepreneurs in contributing to the economic growth of India (**April/ May - 2017**), (**Nov/Dec 2019**)
13. Discuss the characteristics of entrepreneur with an example? (**April/ May - 2018**)
14. Discuss the factors affecting entrepreneurial growth in Tamil Nadu with suitable examples. (**Apr/May 2021**)

UNIT –II - MOTIVATION

PART A (2 Marks)

1. List the major motives influencing on entrepreneurs. (April/ May - 2018)

- Self-Actualization Motives
- Work Motives
- Autonomy and Power Motives
- Status Motives
- Application Motives
- Doentic Motives

2. What are the motivating factor influencing people to become entrepreneurs?

- Educational Background
- Occupational experience
- Desire to work independently
- Family Background
- Assistance from Government
- Assistance from financial institutions

3. What is need for achievement motivation in entrepreneurship?

- Achievement Motivation is an inner spirit that activates an entrepreneur to strive for success.
- This achievement motivation can be developed through training and experience.

4. How to develop achievement motivation?

- It is first developed by an individual who has an extreme interest in accomplishing a task, therefore, is determined to put to forth an effort in accomplishing the task if one desires to.

- There are people who take on the role of achievement motivation in a different manner.
 - There are some who are motivated to achieve their goals only if there performance is evaluated and an award is given.
 - There are some who are motivated to achieve their goals because of their fear of success or failure

5. Features of Achievement Motivation.

- Setting self-goals and goal achievement
- Emulating models of achievement by constant watch and alertness.
- Attainment of clear and frequent feedback
- Planning more realistic goals through self-performance appraisal
- Reshaping of ideas as opportunities through positive self-assessment and day dreaming.

6. What are the push and pull motivational factors to drive entrepreneurial intention?

Factors	Push	Pull
Main Purpose	Getting away from the current situation	Orientation towards future gains
Motives	<ul style="list-style-type: none"> • Ending unemployment • Avoiding unemployment • Get out of an emergency situation • Dissatisfaction with own vocational situation 	<ul style="list-style-type: none"> <input type="checkbox"/> Seize of opportunity <input type="checkbox"/> Gain decision latitude <input type="checkbox"/> Take initiative <input type="checkbox"/> Become one’s own boss <input type="checkbox"/> Gain independence <input type="checkbox"/> Do interesting tasks <input type="checkbox"/> Implement one’s own idea <input type="checkbox"/> Gain better income

7. What is self-employment?

- Self-employment owns their own business alone or in partnership with others or with members of their family.
- It is the alternative to wage employment.

8. What motivates individuals to do self-employment?

- A person chooses to be self-employed if he/she has a particular interest in the trade or business
- Follows a family tradition
- Perception of own necessary skills and abilities
- Availability of role models
- Fear of failure and its personal, social, and financial consequences

9. List the major advantages of self-employment.

- Lead rather than follow
- Be creative and implement ideas
- Have the potential for increased income with hardwork
- Be independent
- Take initiative, make own decision at own pace
- Continue to learn more about business each day and this could provide an opportunity for self-fulfillment

10. List the exercises and games for Entrepreneurial Motivation Training (EMT).

- Micro-labs
- Thematic Apperception Test (TAT)
- Achievement Planning (APO) exercises/Boat Making Exercise
- Tower Building
- Creating Games
- Convince and Crown

11. What is Thematic Apperception Test? (April/ May - 2018), (Nov/Dec 2019)

- **Thematic Apperception Test (TAT)** is a projective psychological **test** developed by McClelland.
- Helps to assess the need profile of technical entrepreneurs
- Helps to determine the existence and level of achievement motivation among entrepreneurs
- Through this test ambition related pictures were displayed to the entrepreneurs and then they were asked to interpret the pictures and what is happening in the picture.
- To emphasize the formation and use of achievement language in day-to-day thinking and action.

12. Purpose of Micro-labs.

- **Micro-labs** is a process-oriented package of experience, which is used to prepare entrepreneurs to learn psychosocially
- Helps them to motivate, get involved in the program make them aware of the importance of learning through experience and open their vision for the program in totality.
- Help trainees familiarize themselves with each other.
- Build up and break and trainees expectations about the program.

13. What the major causes of stress faced by entrepreneurs?

- Competition
- Unrealistic goals
- Limited Capital
- Meeting expectations
- Growth and expansion issues
- Change and Challenges

14. What is self-efficacy? (Nov/Dec 2018)

- Self-efficacy is defined as people's beliefs about their capabilities to produce designated levels of performance that exercise influence over events that affect their lives.
- Self-efficacy beliefs determine how people feel, think, motivate themselves and behave.

15. What is locus of control? (Nov/Dec 2019)

- Locus of control is the degree to which people believe that they have control over the outcome of events in their lives, as opposed to external forces beyond their control.
- It is one's belief about contingency relationships between one's action and outcome.

16. What is entrepreneurial competency?

- Entrepreneurial competency is defined as the individual characteristics including attitude and behavior, which allows the entrepreneur to achieve business success.
- Entrepreneurial competencies include entrepreneurial traits, motives, self-image, attitude, behavior, skills, and knowledge.

- Entrepreneurial competencies are considered a higher-level characteristic encompassing personality traits, skills and knowledge, and therefore can be seen as the total ability of the entrepreneur to perform a job role successfully.

17. Difference between competence and competency.

Competence	Competency
Skill Based	Behaviour Based
Standard attained	Means of Behavior
Helps what is to be measured	Helps how the standard is achieved

18. List the major competencies of successful entrepreneurs.

- Pro-activity
 - Initiative
 - Assessiveness
- Achievement Orientation
 - Sees and acts as opportunity
 - Efficiency orientation
 - Concern for high quality work
 - Systematic Planning
- Commitment to Others
 - Commitment to work contract
 - Recognizing the importance of business relationships

19. What is Entrepreneurship Development Program (EDP)? (Nov/Dec 2018)

- EDP is to help an individual in strengthening his entrepreneurial motive and in acquiring skills and capabilities necessary for playing his entrepreneurial role effectively.
- It is necessary to promote this understanding of motives and their impact on entrepreneurial values and behaviour for this purpose.

20. Need for Entrepreneurship Development Program. (Apr/May 2019)

- Creation of Employment Opportunities
- Capital Formation
- Balanced Regional Development
- Use of Local Resources

21. What are the objectives of Entrepreneurship Development Program?

- Develop and strengthen the entrepreneurial quality, i.e. motivation or need for achievement.
- Analyse environmental set up relating to small industry and small business.
- Understand the process and procedure involved in setting up a small enterprise.
- Acquire the necessary managerial skills required to run a small-scale industry.
- Appreciate the needed entrepreneurial discipline.

22. What are the basic criteria to access the effectiveness of Entrepreneurship Development Program (EDP)?

- Activity level of respondents
- New enterprises established
- Total investment made
- No. of people employed
- No. of jobs created
- Increase in profit
- Increase in sales

23. What are the phases of Entrepreneurship Development Program (EDP)?

- Pre-training EDP
- Training Phases
- Post training phase (Also Follow up)

24. What are the entrepreneurial dimensions to be assigned to become potential entrepreneurs?

- Achievement Motivation
- Risk propensity
- Personal efficacy
- Leadership quality
- Commitment to task
- Planning and organizing ability

25. What the various methods to be employed in assessing potential entrepreneurs.

- Thematic Apperception Test (TAT)
- Ring toss game
- Locus of control questionnaire

- Group planning exercises
- Application blank analysis
- Personal interview

PART B (16Marks)

1. What is Entrepreneur Motivation? Explain the nature and process of motivation.
2. Explain Maslow's theory of motivation.
3. What is achievement motivation? Do you consider an essential ingredient of entrepreneurship? **(Nov/Dec 2018),(Apr/May 2019)**
4. What is meant by Entrepreneurial stress? State and explain the causes of stress among entrepreneurs and the measures to be followed by them to overcome stress.
5. What are the causes of stress? Explain.
6. What do you mean by EDP? Explain the need and objectives of entrepreneurial development programmes. **(April/ May - 2018), (Nov/Dec 2019)**
7. Explain the model of business game
8. What is self rating? State some self rating questions.
9. Discuss the ways in which people may overcome the negative consequences of stress.
10. Explain the evaluation and process of EDP's
11. What are the major motivations for start-ups movement in India? Explain with case studies. **(April/ May - 2017), (Nov/Dec 2018)**
12. Discuss the role of creativity and innovation in generating ideas for a new Business projects citing examples. **(April/ May - 2017)**
13. Discuss the steps in designing the achievement motivational training program with an example **(April/ May - 2018)**
14. Discuss the role of TAT in Entrepreneurship Development. **(April/ May 2019)**
15. What are the major motives influencing an entrepreneur. **(Nov/Dec 2019)**
16. Explain some of the stress management techniques in detail **(Apr/May 2021)**
17. Entrepreneurship development programs contribute in the growth of entrepreneurs by explaining its need and objectives. **(Apr/May 2021)**

UNIT –III - BUSINESS

PART A (2 Marks)

1. What is small scale unit? (April/ May - 2018)

- Small scale unit has fixed investment in plant and machinery, whether held on ownership basis or lease basis or hire purchase basis not exceeding Rs. 1 crore.

2. What is Ancillary unit?

- Ancillary unit are industrial undertakings having fixed investment in plant and machinery not exceeding Rs. 1 crore engaged in or proposed to engage in.

3. What are the objectives of small scale industries?

- To create more employment opportunities with less investment.
- To remove economic backwardness of rural and less developed regions of the economy.
- To reduce regional imbalances.
- To mobilize and ensure optimum utilization of unexploited resources of the country.
- To improve standard of living of people.
- To ensure equitable distribution of income and wealth.

4. Types of small scale industries.

- Manufacturing industry
- Cottage industry
- Village industry
- Ancillary industry
- Service industry
- Mining and Quarrying
- Feeder industry

5. What is a micro enterprise?

- **Micro enterprise** is an enterprise where investment in plant and machinery (original cost excluding land and building and the items specified by the Ministry of Small-Scale Industries vide its notification No. S.O. 1722(E) dated October 5, 2006) **does not exceed Rs. 25 lakh;**

6. What is small enterprise? (Nov/Dec 2018)

- A small enterprise is an enterprise where the investment in plant and machinery (original cost excluding land and building and the items specified by the Ministry of Small Scale Industries vide its notification No. S.O. 1722(E) dated October 5, 2006) is **more than Rs. 25 lakh but does not exceed Rs. 5 crore.**

7. What is medium enterprise?

- A medium enterprise is an enterprise where the investment in plant and machinery (original cost excluding land and building and the items specified by the Ministry of Small Scale Industries vide its notification S.O. 1722(E) dated October 5, 2006) is **more than Rs. 5 crore but does not exceed Rs. 10 crore.**

8. What are the essential characteristics of small scale industries?

- Labor intensive
- Flexibility
- One-man show
- Use of indigenous raw materials
- Localized operation
- Lesser gestation period

9. What are the differences between micro and macro enterprises? (April/ May - 2018)

Competitive	Micro enterprises cannot compete with macro enterprises in certain circumstances and in selected products. Examples of such enterprises/ industries are bricks and tiles, fresh baked goods and perishable edibles, preserved fruits.
Supplementary	Micro enterprise can fill in the gaps between large scale production and standard outputs caused by macro enterprises.
Complementary	Micro enterprises have been a complementary to their macro counterparts. Many micro enterprises produce intermediate products for macro units.
Initiative	Attracted by the high profits of macro units, micro units can also take initiative to produce the particular product. If succeeds, the micro unit grows to macro over a period of time.

10. List the rationale behind micro and small enterprise development in the country.

- Employment argument
- Equality argument
- Decentralization argument
- Latent resource argument

11. What are objectives of developing micro enterprises?

- To generate immediate and large scale employment opportunities with relatively low investment.
- To eradicate unemployment problem from the country.
- To encourage dispersal of industries to all over country covering small towns, villages and economically lagging regions.
- To promote balanced regional development in the whole country.

12. What are the various rationale arguments behind micro and macro enterprises.

- Employment argument
- Equality argument
- Decentralization argument
- Latent resources argument

13. How society helps and cooperates with enterprise / business?

- Society offers business inputs like raw materials
- Society provides business different types of resources such as human resources, financial resources, technological resources
- Society creates market for the products or services of business
- In the forms of various acts, laws and regulations, society also monitors and protects business to run in a desired manner.

14. What are problems faced by micro and small enterprises?

- ***Problems in procuring raw materials*** due to scarcity, poor quality and high cost.
- ***Problems of finance*** due to weak economic base, poor financial assistance from commercial banks and financial institutions.
- ***Problem of marketing*** by comparing products unfavorably with the quality of products of large scale industries
- ***Problem of under-utilization of capacity*** because of poor power supply, cannot afford to go for alternatives like large-scale industries.

15. What are the steps in setting up of a small business enterprise? (April/ May - 2019)

- Information collection
- Information organization
- Acquiring required / vocational skills

- Financial requirements
- Market assessment
- Provision of Crisis

16. What is a business plan?

- Development of a written document that spells out like a roadmap where you are, where you want to be, and how you want to get there.
- It is a formal written expression of the entrepreneurial vision, describing the strategy and operations of the proposed venture.

17. List the contents of business plan.

- General information
- Promoter
- Location
- Land and building
- Plant and Machinery
- Production Process
- Utilities
- Transport and Communication
- Raw material and Manpower
- Products and Market
- Requirements of working capital and funds

18. What is project formulation?

- It is the process of examining technical, economic, financial and commercial aspects of a project.
- It is the process and steps through which an opportunity becomes a project in which the entrepreneur is willing to invest his time, money and other resources.

19. Need for project formulation.

- Knowledge About Government Regulations
- Absence of External Economies
- Non-Availability of Technically Qualified Personnel.
- Resource Mobilization
- Selection of Appropriate Technology

20. What are the elements of project formulation?

- Feasibility Analysis
- Techno-Economic Analysis
 - Estimation of demand or market potential
 - Selection of Technology
- Project Design and Network Analysis
- Input Analysis
- Financial Analysis
- Social Cost Benefit Analysis
- Pre-investment Appraisal

21. What are the stages/process of project formulation/development?

- General information
- Project Description
- Market Potential
- Capital Costs and sources of finance
- Assessment of working capital requirements
- Other financial aspects
- Economic and social variables
- Project implementation

22. What is techno-economic feasibility of the project? (Nov/Dec 2018), (Nov/Dec 2019)

- Techno-economic feasibility makes an analysis of the market and technology
- The choice of technology itself will be based on the demand potential and aid in project design.
- Techno-economic feasibility analysis gives to the project an individuality and sets the stage for detailed design development.

23. What the contents of feasibility report? (April/ May - 2019)

- Objectives and scope of the report
- Product characteristics, i.e. specifications, uses and application, standards, quality etc.
- Market position and trends
- Raw material requirements, prices, sources and properties of raw materials
- Manufacturing processes, selection of process, production schedules and techniques.
- Requirement of land area, building, construction schedule

- Financial implications, i.e. fixed and working capital investment, project cost and profitability
- Marketing channels, their trading practices and marketing strategies.

24. Factors to consider while preparing feasibility report.

- ***Technical considerations***
 - Employment, ecology, infrastructure demands, capital services, balance of payments
 - Description of product, selected manufacturing process
 - Determination of plant size and production schedule
 - Selection of machinery and equipment
 - Identification of plant location and design
- ***Economic considerations***
 - Identifying the market potential in terms of current demand
 - Cost and project at different price levels
 - Competitors both direct and indirect to be analyzed
 - Data related to per capita income, level of consumption expenditure, inventories, new orders etc.
- ***Financial considerations***
 - Assessment of total cost, initial capital requirements and cash flows
 - Financial analysis showing return on investment, return on equity
 - Details regarding equity shares, preference shares, debentures, long term loans, bank loans etc.
- ***Managerial competence***
 - Activity analysis involving anticipated work flow and activities involved in project
 - Grouping of activities into tasks which employees perform
- ***Implementation Schedule***
 - Helps when to apply for term loans, procurement of land site, construction of factory shed, getting water and power connections, purchase of plant, recruitment of human resources, trial production etc.

25. What is a project report?

- A project report may be defined as a document with respect to any investment proposal based on certain information and factual data for the purpose of appraising the project.
- Project report is an essential document for procuring assistance from financial institutions and for fulfilling other formalities for implementation of the project.

26. What are the objectives of project report?

- It facilitates business planning and planning the future course of action.
- It enables an entrepreneur to compare different investment proposals and select the most suitable project.
- It provides a SWOT analysis, wherein the strengths, weaknesses, opportunities and threats involved in the projects as shown
- The project report enables the entrepreneur to ensure that he is proceeding in the right direction.
- It facilitates project appraisal

27. Importance of project report.

- It helps the entrepreneur in establishing techno-economic viability of the project.
- It helps in getting term loan from banks and financial institutions
- It helps in approaching bank for getting working capital loan
- It helps in securing supply of scarce raw materials also

28. What are requisites of an ideal project report?

- Project report should be prepared with the help of an expert team
- Assumptions in the project report should avoid extremities.
- Project report is the means and not the end
- Product demand, capital resources, raw material availability, labour resources etc. must be estimated properly after considering varied factors.
- The end result should be to receive finance and to get the project implemented.
- Complete satisfaction of the entrepreneur/promoter should be ensured before the report is submitted to the financial institutions.

29. What are the problems faced in the preparation of project report?

- Strict condition of promoter's contribution may dampen the enthusiasm of entrepreneurs.
- All lending institutions demand a lot of documents before credit is granted.
- Problems regarding working capital assessment due to unrealistic assumptions
- Time overrun will lead to cost overrun.
- Lending institutions expect strict specifications with regard to size of the land, buildings, sources of machinery, their costs etc.
- A number of clearances have to be obtained from the government departments. This causes strain and wastage among entrepreneurs.

30. What is project appraisal?

- Project appraisal means the assessment of a project
- It is made for both proposed and executed projects
- In case of former, project appraisal is called '*ex-ante analysis*' and in case of latter '*post-ante analysis*'
- Appraisal helps to select the best project among available alternative projects.

31. What are the methods of project appraisal?

- Economic analysis
- Financial analysis
- Market analysis
- Technical feasibility
- Management competence

32. What the various forms of ownership in small scale enterprises?

- Sole Proprietorship
- Partnership
- Company
 - Private Limited company
 - Public Limited company
- Co-operative

33. What are the criteria for selection of an appropriate form of business ownership?

(Nov/Dec 2019)

- Nature of business
- Area of operations
- Degree of control
- Capital requirements
- Extent of risk and liability
- Duration of business
- Government regulations

34. What is sole-proprietorship?

- Oldest form of business ownership
- The enterprise is owned and controlled by one person
- It is simplest and easiest to form
- It does not require legal recognition and attendant formalities.

35. List the main features of company form of ownership?

- Artificial legal person
- Separate legal entity
- Common seal
- Perpetual existence
- Limited liability
- Transferability of shares
- Separation of ownership from management
- Number of members

36. What is co-operative ownership?

- Co-operative form of organization is based on the philosophy of self-help and mutual help.
- Aims at rendering services in place of earning profits
- It is a society which has its objectives of promotion of economic interests of the members in accordance with cooperative principles.

37. What is market research?

- The systematic objectives and exhaustible search for the study of facts relevant to any problem in the field of marketing.
- It is the careful and objective study of product design, markets and such transfer activities as physical distribution, warehousing, advertising and sales management.

PART B (16 Marks)

1. Briefly explain the classification and characterization of small scale industry
2. Explain the importance of SSI and its merits and demerits
3. Distinguish the difference between small scale and Large scale industries
4. What are the different ownership forms available to entrepreneur? Discuss each form in brief.
5. Briefly describe advantage and disadvantage of different forms of business organization.
6. What do you mean project? Explain the content of project report
7. Explain the various steps in identification of Business opportunity.
8. What is project formulation? Describe its significant.
9. Describe the planning commission guidelines for project formulation/ feasibility report of industrial project
10. Give a format for preparation of preliminary project report
11. What is meant by detailed project report? What are the precautions that an entrepreneur should take at the time of preparation of detailed project report? Tabulate the estimate profitability and financial ratio with illustrations
12. Sketch and discuss the business ownership structure in private commercial enterprises in India citing examples. **(April/ May - 2017), (April/ May - 2019)**
13. Discuss the role of a market survey, research and feasibility tests in setting up new business projects. **(April/ May - 2017), (Nov/Dec 2018), (Nov/Dec 2019)**
14. Describe the steps involved in setting up a business with an example.**(April/ May - 2018), (Nov/Dec 2018)**
15. Explain the methods of project appraisal for entrepreneurial enterprise with example. **(April/ May - 2018), (Nov/Dec 2019)**
16. Explain the techno economic assessment procedure for an entrepreneurial enterprise. **(April/ May 2019)**

17. What are the various steps involved in setting up a business ? Discuss.(April/May 2021)
18. What is meant by a small enterprise ? State the types and characteristics of small business.(April/May 2021)
19. Develop a business plan of your choice.(April/May 2021)

UNIT IV - FINANCING AND ACCOUNTING

PART A (2 Marks)

1. What are the classifications of financial needs

Based on Performance

- Fixed Capital
- Working Capital

Based on period of use

- Long term capital
- Short term capital

2. What are the sources of Finance?

- Internal sources
- External sources

3. What is internal source of finance?

Internal sources of finance are funds found and raised inside the organization. Examples are owners own money (capital) also called as equity, partners or directors loan or deposit etc.

4. Why entrepreneurs need finance?

- To start an Industry.
- For acquiring Fixed Assets.
- Developing Product.
- Developing Men and Machine at Work.
- Encourage Management to make Progress.

5. Name the institutions providing financial support to entrepreneurs.

- National Small Industries Corporation Limited (NSIC)
- Small Industries Development Organization (SIDO)
- Small Scale Industries Board (SSIB)
- State Small Industries Development Corporation (SSID)
- Small Industries Service Institutes (SISI)
- District Industries Centres (DICs)
- Industrial Estates
- Specialized Institutions
- Technical Consultancy organizations (TCOs)

5. Functions of National Small Industries Corporation Limited (NSIC)

- Provides financial assistance by way of hire-purchase scheme for purchase of machinery and equipment, required for the setting up industries.
- Provides various equipments on lease basis
- Assists in marketing of the products of SSIs.
- Helps in the development and upgradation of technology and modernisation of the industries.
- Undertakes construction of industrial estates.

6. Functions of Small Industries Development Organization (SIDO).

- To formulate policies regarding the promotion and development of SSI at national level.
- To coordinate the activities of all departments, institutions and agencies involved in promoting the SSI.
- To render all way support and encourage the entrepreneurs to set up and sort out the hurdles.
- To conduct regular and *ad hoc* training courses through SISI's, Branch SISI's and extension/production centers;
- To secure reservations of certain products to be manufactured only by SSI's.

7. Functions of District Industries Centres (DICs)

- Acts as the focal point of the industrialisation of the district.
- Opportunity guidance to entrepreneurs.
- Manpower assessment with respect to skilled, semi-skilled workers.

- Assessment of availability of infrastructure facilities like quality testing, research and development, transport, prototype development, warehouse etc.
- Provides information about various government schemes, subsidies, grants and assistance available from the other corporations set up for promotion of industries.
- Acts as a link between the entrepreneurs and the lead bank of the district.

8. What is an industrial estate?

An industrial estate is a place where necessary infrastructural facilities are made available to entrepreneurs. Industrial parks, industrial zone, industrial area, industrial township are some of the other terms used to denote industrial estates.

9. Objectives of industrial estate.

- Ensuring well planned and structured industrial development.
- To provide the necessary infrastructure.
- To provide common facilities to a number of industries.
- To promote development of clusters.
- To enable small units to source products from one another.
- To enable dispersal of industries.
- To promote balanced regional development.

10. What is term loan? (April/ May - 2018), (April/ May - 2019)

Loan which has to be repaid in regular intervals over a predefined time limit and also has a fixed or a floating rate of interest.

11. What is capital structure?

It is defined as the composition of debt and equity by which the organization funds its overall operations. Simply it is the mix or composition of debt and equity in the firm's capital.

12. What is optimum capital structure?

It is defined as the best debt equity mix/ratio/composition of a firm which maximizes the value of the organization. It will change based on the business conditions.

13. Mention the factors determining capital structure?

- a. Firm's Size
- b. Nature of the business that the enterprise deals with
- c. Leverage effect
- d. Cash Flow
- e. Tax rate
- f. Reasons for financing
- g. Future usage.

14. What are sources of term loans?

- Issue of debentures
- Issue of shares
- Loan from financial institutions
- Loan from commercial banks
- Public deposits
- Retention of profits.

15. What are the types of term loans?

- Short term loans
- Long term loans.

16. What is Long term loan?

Long terms loans are taken for long period of time (over one year) to match the financial needs of the firm.

17. What are the types of shares?

- Preference share
- Equity share.

18. What is preference share?

Preference shares are given priority over the ordinary share holders while paying dividends.

19. What is Equity share?

Equity share is not given any priority. The dividend and capital of equity share holders are paid only after the payment of preference shares.

20. What is debenture?

- A debenture is a medium to long-term debt instrument.
- It is used for raising funds from the public.
- Debenture includes debenture stocks, bonds and any other securities of the firm.

21. What are the categories of institutional finance?

- Commercial banks
- Other financial institutions.

22. What is working capital? (Nov/Dec 2019)

Working capital is the capital of the firm which is required and used to carry out the day-to-day business operations.

23. What are the factors influencing working capital?

- Character of business
- Size and volume of business
- Length of processing period
- Turnover
- Terms of purchase and sales
- Seasonal variation
- Importance of labor
- Cash Flow
- Stock
- Cyclical fluctuation

24. What are two concepts of working capital?

- Net working capital
- Gross working capital.

25. What is Net working capital?

Net Working capital= Current Assets- Current Liabilities.

Net Working capital of a firm is arrived by subtracting current liabilities from current assets.

26. What is gross working capital?

Gross Working capital is the aggregate value of all the current assets.

Gross Working Capital=Total current assets.

27. What is break even analysis? (April/ May - 2018)

- **Break even analysis mentions** the position of the firm, at which there is neither profit nor loss.
- Breakeven point is point is one at which the firm's Total Revenue and Total cost are equal.
- It is a tool of financial analysis whereby the impact on profit position of the changes in volume, price, costs and mix can be estimated definitely and accurately.

28. Advantages of Break-Even analysis.

- It helps to take investment decision
- It serves as a useful tool for cost controls
- It assists in the formulation of price policies
- It is useful for determining costs and revenue at different levels of activity

29. What is the basis of charge of income tax(Nov/Dec 2018)

- Income tax is an annual tax on income
- Income of previous year is taxable in the next following assessment year
- Tax rate are fixed by the annual finance act
- Annual finance act shall be amended every year
- Tax is charged on every person
- Tax is charged on total income of every person

30. What is an allowance?

- Allowances means 'any amount or sum allowed regularly'
- Allowances are given in cash along with salary by the employer

31. What are the classifications of allowances?

- ***Fully exempted allowances***
 - Foreign Allowance
- ***Fully taxable allowances***
 - Dearness Allowance
 - City Compensatory Allowance
 - Lunch Allowance
 - Tiffin Allowance
 - Marriage Allowance

- ***Partially Taxable Allowance***
 - House Rent Allowance
 - Helper Allowance
 - Academic Allowance
 - Conveyance Allowance
 - Travelling Allowance
 - Entertainment Allowance

32. What are the components of income?

- Profits and gains
- Dividends
- Value of any benefit or amenity whether convertible into money or not
- Any capital gain
- Profits and gains of any business
- Any sum received by the assessee as his employees contributions to any provident fund etc.

33. What are the pre-requisites taxable for all employees on income?

- Rent free house
- Concessional Rent house
- Obligation of employee met by employer
- Amounts paid by employer club bill, gas and electricity, education bill of children

34. What are the pre-requisites exempted for all employees on income?

- Free medical facilities
- Free refreshments
- Free recreational facilities
- Provision of telephone
- Free meals
- Free education, training or refresher course
- Goods sold at concessional rates
- Rent free house given to an officer of parliament
- Conveyance facilities to judges of supreme court or high court

35. How gross total income computed?

- Gross total income means aggregate of income computed under the following five heads.
 - Income from salaries
 - Income from houseproperty
 - Profit and gains of business or profession
 - Capital gains
 - Income from other source

36. What is salary?

- Salary includes the following amounts received by an employee from its employer.

It includes:

- Wages
- Any annuity or pension
- Encashment of earned leave
- Compensation for retirement
- Any gratuity
- Any fees, commission, bonus, allowances prerequisites or profit in lieu of salary
- Any advance salary
- Provident Fund

37. What are four kinds of provident fund?

- Statutory Provident fund
- Recognized Provident Fund
- Unrecognized Provident Fund
- Public Provident Fund

38. List out the various deductions under section 16.

- Standard deduction
- Entertainment deduction
- Tax on employment

39. What is capital gain?

- Any profit earned from the transfer of a capital asset.

40. What the types of capital gains?

- Short term capital gain – Capital asset held by an assessee for not more than 36 months immediately before the date of transfer
- Long term capital gain – Means a capital asset held by an assessee for more than 36 months preceding the date of retirement.

41. What is a sales Tax? (Nov/Dec 2018)

- Sales tax is a levy either on purchase or sales of goods under the basic scheme of taxation of India.
- State Government will get revenue from Sales Tax including Tax on inter-state purchase or sales of goods, excise on liquor and tax on agricultural income.

42. What is excise duty?

Excise duty is any duty or tax levied upon the manufacture or sale or consumption of commodities within the country.

43. Kinds of excise duty.

- Basic Excise duty
- Special duties of Excise
- Additional Excise Duty in lieu of Sales tax
- Less of excise duties leviable on certain specified commodities under various act

PART B (16Marks)

1. Abbreviate the need for finance in a business enterprise. What are the various sources available to a small scale enterprise to raise funds?
2. Define Capital structure. What factors do determine the optimum capital structure? Explain (**April/ May - 2018**)
3. Briefly explain the various financial institution that extending financing assistance to entrepreneur
4. What a meant by the term Working capital? Distinguish between gross working capital and not working capital. (**April/ May - 2018**), (**Nov/Dec 2018**)
5. What are the concepts of Working capital? What are the major determinants of

- working capital requirements of an enterprise?
6. What are the various types of Working capital?
 7. Explain about Working capital. Discuss the sources and the management of Working capital
 8. Distinguish between PERT and CPM
 9. What is sales tax? Explain the types of Sales taxation in India
 10. Define Excise Duties and what are the kinds of Excises Duties?
 11. Enumerate the tale of financial institutions in growth of IT sector in India. **(April/ May - 2017)**
 12. What are the various sources of finance opportunities and tax benefits for first generation entrepreneurs in India – Discuss **(April/ May - 2017), (Nov/Dec 2018)**
 13. Enumerate the various sources of finance with an example for entrepreneur enterprise. **(April/ May - 2019), (Nov/Dec 2019)**
 14. Explain break even analysis with an suitable example for an entrepreneurial enterprise. **(April/ May - 2019)**
 15. Explain tax structure with an example. **(Nov/Dec 2019)**
 16. Discuss the various source of financial supports that are available to start-ups in India.**(Apr/May 2021)**
 17. Explain the various subsidies and schemes that are available to women entrepreneurs in India. **.(Apr/May 2021)**

UNIT –V

SUPPORT TO ENTREPRENEURS

PART A (2 Marks)

1. What is Industrial Sickness?

Any industrial company (being a company registered for not less than five years) which has, at the end of any financial year, accumulated losses equal to, or exceeding, its entire net worth and has also suffered cash losses in such financial year and the financial year immediately preceding such financial year.

2. What is a sick unit?

A sick unit is that which has incurred a cash loss for one year and is likely to continue incurring losses for the current year as well as in the following year and the unit has an imbalance in its financial structure.

3. List the process of industrial sickness?

- Normal Unit
- Tending towards sickness
- Incipient Sickness

4. What are the important signals of industrial sickness? (Nov/Dec 2019)

- Decline in capacity utilization
- Shortages of liquid funds to meet short term financial institutions
- Inventories in excessive quantities
- Non-submission of data to banks and financial statements
- Irregularity in maintaining bank accounts
- Frequent breakdown in plants and machinery
- Decline in technical deficiency
- Frequent turnover of personnel in the industry

5. What the important symptoms which characterize industrial sickness?

- Persisting shortage of cash
- Deteriorating financial ratios
- Widespread use of creative accounting
- Continuous tumble in the prices of the shares
- Frequent request to banks and financial institutions for loans
- Delay and default in the payment of statutory dues

6. Mention the various causes/factors of industrial sickness?

- External causes (or) Exogenous factors
- Internal causes (or) Endogenous factors

7. What are the external causes influencing industrial sickness?

- Changes in industrial policies framed by government time to time
- Inadequate availability of necessary inputs like raw materials, power, transport and skilled labor
- Lack of demand of the product
- Recessionary trends prevalent in the economy
- Shortage of industrial resources especially working capital
- Natural calamities like drought, floods etc.

8. What are the various consequences of industrial sickness? (April/ May - 2019)

- Huge financial loss to the banks and the financial institutions
- Loss to employment opportunities
- Emergent of industrial unrest
- Adverse effect on prospective investors and entrepreneurs
- Wastages of scarce resources
- Loss of revenue to the Government

9. What are the various corrective measures to curb industrial sickness?

- Identification and detection of sickness at the incipient stage is the first and foremost measure to detect and reduce industrial sickness.
- In view of limited resources at the disposal, a fewer number of sick units may be picked up for revival/rehabilitation and a larger number of weak units may be combined together to prevent sickness.
- The attitudes of three different sets of a unit-management, financial institutions and labour do not converge as they view the problems of industrial sickness quite differently.
- It will be better to open a separate division in **BIFR** (Board for Industrial and Financial Reconstruction) to deal with sickness in small-scale industries because small-scale industries are characterized by different sets of problems and prospects as compared to medium and large-scale industries.
- Provide for managerial efficiency, marketability of products, adequate availability of power and raw material in the rehabilitation programmes.
- Banks and financial institutions should periodically review the accounts of small-scale industries borrowers to identify units which are becoming sick or are prone to sickness.
- Necessity to impart necessary knowledge to the entrepreneurs in various functional areas through the training programmes like Entrepreneurship Development Programmes (EDPs).

10. What is a business incubator? (Nov/Dec 2019)

- A **business incubator** in business speak is a company that helps new and startup companies to develop by providing services such as management training or office space.

- It is an organization designed to accelerate the growth and success of entrepreneurial companies through an array of business support resources and services.

11. Benefits of business incubators.

- Creating jobs and wealth
- Community revitalization
- Identifying potential opportunities
- Encouraging women or minority entrepreneurship
- Business creation and retention
- Accelerating growth and local industry clusters
- Diversifying local economies
- Technology commercialization

12. Classification of business incubators

On the basis of type of sponsorship

- Government Sponsored
- Non-profit organization sponsored
- University of academic institutions sponsored
- Privately sponsored

On the basis of Objectives:

- General purpose incubators
- Technology incubators
- Specialist incubators

13. Mention the various services provided by business incubators.

- Help in project report preparation
- Provide the following business advice
 - Developing business idea
 - Business and strategic planning
 - Proactive support
 - Financial and legal advice
 - Management
- Provide the following business services
 - Book Keeping and word processing

- Photocopier, fax and postage services
- Conference and meeting rooms
- Reception and telephone answering
- Secretarial services
- Provide an environment where small business are not alone; thereby reducing the anxiety of starting a new venture.

14. List the various government policies for development and promotion of small scale industries.

- Industrial Policy Resolution (IPR) 1948
- Industrial Policy Resolution (IPR) 1956
- Industrial Policy Resolution (IPR) 1977
- Industrial Policy Resolution (IPR) 1980
- Industrial Policy Resolution (IPR) 1990

15. What is Industrial Policy Resolution (IPR) 1948?

- This policy accepted the importance of small-scale industries in the overall industrial development of the country.
- Particularly suited for the utilization of local resources and for creation of employment opportunities.

16. What is Industrial Policy Resolution (IPR) 1956?

- IPR 1956 provides continuing policy support to the small sectors.
- During this period ‘Rural Industries Projects’ and ‘Industrial Estates Projects’ were started to strengthen the small-scale sector in the country.
- IPR 1956 for small-scale industries aimed at “Protection plus Development.”
- Also initiated the modern SSI in India.

17. What is Industrial Policy Resolution (IPR) 1977?

- This new industrial policy will be on effective promotion of cottage and small-scale industries widely dispersed in rural areas and small towns.
- Provide self-employment on a large scale especially on cottage and small scale industries
- Provides reservation of 504 items for exclusive production in small-scale sector.
- Set-up ‘District Industry Centre’ (DIC) to serve as a focal point of development for small-scale and cottage industries.

18. What is Industrial Policy Resolution (IPR) 1980?

- IPR 1980 facilitates an increase in industrial production through optimum utilization of installed capacity and expansion of industries.
- Introduces the concept of nucleus plants which promotes the maximum small-scale industries there.
- Promotion of village and rural industries to generate economic viability in the villages.

19. What is Industrial Policy Resolution (IPR) 1990?

- Gives increasing importance to small-scale enterprises to serve the objective of employment generation.
- 836 new items were reserved for exclusive manufacture in small-scale sectors.
- Improve the competitiveness of the products manufactured in the small-scale sector;
- Programs of technology up gradation will be implemented under the umbrella of an apex Technology Development Centre in Small Industries Development Organisation (SIDO).
- Gives greater emphasis on training of women and youth under Entrepreneurship Development Programme (EDP) and to establish a special cell in SIDO

20. What is new small enterprise policy 1991?

- New Small Enterprise Policy is to impart more vitality and growth impetus to the sector to enable to contribute fully to the economy, particularly in terms of growth of output, employment and exports.

21. What the salient features of small enterprise policy 1991?

- Increase the investment limit in plant and machinery of tiny enterprises from Rs. 2 lakh to Rs.5 lakh irrespective of the location of the enterprise.
- Introduce a limited partnership act.
- Introduce a scheme to integrated infrastructural development (including technological back-up services) for small scale industries
- Introduce of factoring services to help solve the problems of delayed payments to small sectors.
- Setting up of an Export Development Centre in the Small Industries Development Organization (SIDO).

22. What is Micro Small and Medium Enterprises Development (MSMED) Act, 2006?

The **MSMED Act, 2006** defines the Micro, Small and Medium Enterprises based:

1. On the investment in plant and machinery for those engaged in manufacturing or production, processing or preservation of goods and
2. On the investment in equipment for enterprises engaged in providing or rendering of Services.

23. What are the strategies used for the growth of small-scale enterprise?

- Expansion
- Diversification
- Joint Venture
- Mergers and Acquisitions
- Sub-Contracting and 6. Franchising.

24. What is sub-contracting system?

Sub-contracting system is a mutually beneficial commercial relationship between the two companies. This is known as Ancillarization in India and more generally as ‘sub-contracting.’

25. Advantages of Sub-Contracting. (April/ May - 2018)

- It increases production in the fastest way without making many efforts
- The contractor can produce products without investing in plant and machinery
- Sub-contracting is particularly suitable to manufacture goods temporarily.
- It enables the contractor to make use of technical and managerial abilities of sub-contractors.

26. Difference between Franchising, Distributorship and Agency

- **Distributorship and agency** – have the more traditional forms of distributing goods or services. Under these, the principal is not allowed to exert the real control over the distributor or agent.
- **Franchising** differs from the distributorship and the agency in the sense that it allows the franchisor to exercise a higher degree of control over the franchisee.

27. What are the types of franchising?

- Product Franchising
- Manufacturing Franchising
- Business-Format Franchising

28. What are the reasons for the buyer to merge? (April/ May - 2019)

- To increase the value of the enterprise's stock.
- To increase the growth rate and make a good investment.
- To improve the stability of its earnings and sales.
- To balance, compete or diversify its product line.
- To reduce competition.

29. What are the reasons for the seller to merge?

- To increase the value of the owner's stock and investment.
- To increase the growth rate.
- To acquire resources to stabilize resources.
- To benefit from the tax legislation.
- To deal with top management succession problem.

30. List down the types if Mergers & Acquisitions (M & A)(.

- Horizontal M & A
- Vertical M & A
- Concentric M & A
- Conglomerate M & A

31. What is diversification? (Nov/Dec 2018)

- Diversification is evolved to overcome the limitations of business growth through expansion
- Diversification may be defined as a process of adding more products/markets/services to the existing one.
- Diversification helps an enterprise make more effective use of its resources.

32. What are the types of diversification? (April/ May - 2018)

- Horizontal Diversification
- Vertical Diversification
- Concentric Diversification, and
- Conglomerate Diversification

33. Mention the various triggers to make joint ventures effective and successful.

- Technology
- Geography
- Regulation
- Sharing of Risk and Capital
- Intellectual Exchange

PART B (16 Marks)

1. Define Industrial Sickness with special reference to small scale industry.
Enumerate the signals and symptoms of industrial sickness
2. What are the reasons for sickness of most of the small business enterprises in India?
What should an entrepreneur do to prevent sickness?
3. Discuss the various causes and consequences Industrial Sickness in India.
4. Discuss the need for policy support to small scale enterprise. Give a resume of government policy towards small scale industries through the different policy resolutions(IPRS)
5. What are the salient features of new small enterprises policy, 1991?
6. Explain the need for growth of a business. What is meant by growth strategy?
(Nov/Dec 2019)
7. Explain the stages of business growth
8. Define Industrial Sickness and explain the process of Define Industrial Sickness**(April/ May - 2018)**
9. Why there is need for Government policy for small scale enterprises?
10. What is an Acquisition? Explain its classification, advantages and disadvantages
11. What are the salient features of new small enterprises policy? How is the governments protective policy beneficial for the development of small scale industries?
12. Define Joint venture. State the reasons behind creation of Joint venture.
Discuss the selection criteria
13. Discuss the major policies of the government of India in facilitating small scale enterprises in India. **(April/ May - 2017), (Nov/Dec 2018), (Nov/Dec 2019)**
14. Critically comment on the ethics, values and social responsibility. Write the

major challenges faced by the entrepreneurs in highly competitive environment. **(April/ May - 2017)**

15. Explain the new small enterprise policy 1991 ratified by the Indian government towards policy for small enterprise. **(April/ May - 2018)**
16. Write a short note on merger and sub contract acting. **(Nov/Dec 2018)**
17. Describe the corrective measures of industrial sickness in small scale industries. **(April/ May - 2019)**
18. Explain the concept of merits and demerits of following growth strategy in small scale enterprise in expansion and diversification. **(April/ May - 2019)**
19. What are the causes and consequences of sickness in small businesses ?
State the ways of overcoming the sickness **(Apr/May -2021)**
20. Enumerate the advantages and disadvantages of some of the Growth Strategies in small businesses. **(Apr/May -2021)**
21. Discuss the need for policy support to small scale industries through the different policy resolutions (IPRS). **(Apr/May -2021)**

MG 8591 - PRINCIPLES OF MANAGEMENT

UNIT I - INTRODUCTION TO MANAGEMENT AND ORGANIZATIONS

1. What is Management?

Management is the process of giving direction and controlling the various activities of the people to achieve the objectives of an organization.

2. Define Management. (Dec'2014 & June'2016) (May'2017)

According to Knootz & Weihrich "management is the process of designing and maintaining of an environment in which individuals working together in groups' efficiently accomplished selected aims".

3. Write some characteristics of Management.

- Management is a continuous process.
- Managers use the resources of the organization both physical as well as human to achieve the goals
- Management aims at achieving the organization goals by ensuring effective use of resources.

4. What are the roles of management in organization?

- Managements help in determination of the objectives of an organization.
- Economics and social development takes place through management

5. Write any two points favor for management as a science. (April 2015)

- Management principles should be verifiable
- Reliable basis for predicting future.

6. Write any two points favor for management as an art.

- Management is creative.
- Management includes the use of practical knowledge and personal skill.

7. What is Time study?

The movement which takes minimum time is the best one.

8. What is motion study?

Taylor suggested that eliminating wasteful movements and performing only necessary movements.

9. Write Fayol's fourteen principles of management.

- Division of work.
- Authority and Responsibility.
- Discipline
- Unity of command
- Unity of direction
- Individual interest to general interest
- Remuneration.
- Centralization

- Scalar chain
- Order
- Equality.
- Stability
- Initiative
- Esprit de corps

10. What is authority?

It is the power given to a person to get work from his subordinates.

11. What is responsibility?

It is the amount of work expected of a man by his superior.

12. Comment: Management is both – A science and an art.

Management is a science because it contains general principles. It is also an art because it requires certain personal skills to achieve desired result.

13. What is centralization?

The organization is centralized when the power is concentrated with one person.

14. What is decentralization?

If the power is fully distributed to the subordinates of the organization.

15. What is scalar chain?

The instruction and orders should be sent from the top management to the lower management.

16. What are management levels?

- Top-level management.
- Middle level management
- Lower level management

17. Write some important functions of top management (June'2016)

- To formulate goals and policies of the company.
- To formulate budgets
- To appoint top executives

18. Write any two functions of middle level management.

- To train, motivate and develop supervisory level
- To monitor and control the operations performance.

19. What are essential skills needs for the manager?

- Technical skill
- Human skill
- Conceptual skill
-

20. Write the function of management.

- Planning
- Organising
- Staffing
- Coordinating
- Controlling

21. What is social responsibility?

Society is the part of the management to initiate actions either to protect social interest of the society.

22. List out the groups' responsibilities of management

- Shareholders
- Employees
- Customers
- Creditors
- Suppliers

23. What is ethics?

All individuals in business or non-business activities are concerned with some Standardized form of behavior are known as ethics.

24. What is ethics in management?

- Business ethics deals with morality of the business environment.
- Business ethics relate to the behavior of a businessman in a situation.

25. Mention the types of early classical approaches?

- Scientific management, Administrative Management, Bureaucracy

26. What is the basic role of managers?

(April 2015)

- Interpersonal role
 - Figure head role
 - Leader role
 - Liaison role
- Informational role
 - Monitor role
 - Disseminator role
 - Spokesperson role
- Decisional role
 - Entrepreneur
 - Negotiator

27. Point out any three differences between administration and management (Dec'2014)

Administration

Determinative function

Laying down plan and policies.

Management

Executive function

Execute the plan and policies

28. What is an organizational culture? (May'2017)

Organizational culture is a system of shared assumptions, values and beliefs, which governs how people behave in organizations.

29. List out the roles played by managers in an organizations (April/May 2018)

- Figurehead.
- Leader.
- Liaison.
- Monitor.
- Disseminator.
- Spokesperson.
- Entrepreneur.
- Disturbance Handler

30. Distinguish between public and private limited companies (April/May 2018)

The general rule is that any company which is not a public company is a private company. The main difference between a public and a private company is that the shares of a public company are typically traded on a stock exchange

31. How does the entrepreneur differ from manager? (Nov/Dec 2019)

The main difference between Entrepreneur and Manager is their role in the organization. An entrepreneur is the owner of the company whereas a Manager is the employee of the company. ... The entrepreneur has a vision and focuses on achievements and profit.

32. Write any two points favour for management as science (Nov/Dec 2019)

Management is science because of several reasons like - it has universally accepted principles, it has cause and effect relationship etc, and at the same time it is art because it requires perfection through practice, practical knowledge, creativity, personal skills etc.

33. What is middle level management? and explain their roles.(Nov 2020)

The branch managers and departmental managers constitute middle level. They are responsible to the top management for the functioning of their department. They devote more time to organizational and directional functions.

- They execute the plans of the organization
- They are responsible for coordinating the activities within the division or department.
- They evaluate performance of junior managers.

34. Write down any eight principles of Henry Fayol. (Nov 2020)

- Division of work
- Authority and Responsibility
- Discipline
- Unity of Command
- Unity of Direction
- Remuneration
- Centralization
- Scalar Chain

UNIT II PLANNING

1. What is planning?

Planning is the process of selecting the objectives and determining the course of action required achieving these objectives.

2. State the important observations suggested about planning.

- Planning is outlining a future course of action in order to achieve on objective.
- Planning is looking ahead.
- Planning is getting ready to do something tomorrow.
- Plan is a trap laid down to capture the future.

3. List out the features of planning.

- Planning – a primary function
- Planning - a dynamic process
- Planning – based on objectives and policies
- Planning – a selective process
- Planning – an intellectual process
- Planning is based on facts

4. Classify various plans.

- Standing plans
- single use plans
- Mission and Purpose
- Programme objectives
- Budgets strategies Schedules
- policies
- Methods
- procedures
- Projects
- Rules.

5. Define mission

Mission may be defined as a statement which defines the role that an organization plays in the society.

6. State the important questions to answer by a good mission.

- What is our business?
- What should it be?

7. Define objectives.

The terms objectives or goals are often used interchangeably. Objectives are the end results towards which the activities of firm are aimed or directed.

8. What is meant by strategies?

Strategy of an organization is the programs of action and deployment of resources to attain its objectives.

9. Define policies.

Policies are general statement or understandings, which provide guidance indecision making to various managers.

10. What is procedure?

A procedure is a chronological order of actions required to implement a policy and to achieve an objectives.

11. Name any two important procedures in organization.

- Procedures for placing orders for material and equipment.
- Procedures for sanctioning different types of employee's leave.

12. Define budgets.

A budget is a statement of expected results in numerical terms and therefore it may be referred as a numerical program.

13. Give the flow diagram of planning steps.

- Identification of opportunities,
- establishment of objectives,
- developing planning, premises,
- identification of alternatives evaluation of alternatives selecting an alternative formulating derivative plans,
- establishing sequence of activities

14. What are the advantages and limitations of planning?

Advantages-

- Help in achieving objectives;
- Better utilization of resources;
- Economy in operation;
- Improves competitive strength

Limitations-

- Lack of accurate information,
- Time and cost, Inflexibility,
- Delay during emergency period

15. What is objective?

Objectives are the aims, purposes or goals that an organization wants to achieve over varying periods of time.

16. State the two approaches of objectives.

- Top –down approach .
- Bottoms –up approach.

17. What is MBO?

MBO is a process whereby, the superior and the subordinate managers of an enterprise jointly identify its common goals, define each individual's 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 its members.

18. Mention the features of MBO.

- MBO focuses attention on what must be accomplished and not how to accomplish the objectives .it is a goal oriented rather than work-oriented approach.
- MBO tries to combine the long range goals of organization with short range of organisation.
- A high degree of motivation and satisfaction is available to employees through MBO.

19. What are the major kinds of strategies and policies?

- Growth
- Finance
- Organization
- Personal vs. Products or services
- Market

20. Classify policies.

- Formulated policies
- Appealed policy
- Imposed policy
- Written policy
- Impliedpolicy

21. What is planning premises?

The assumptions about future derived from forecasting and used in planning are known as planning premises.

22. State the classification of planning premises.

- Internal and External
- Tangible and intangible
- Controllable and uncontrollable

23. Define decision-making process.

Decision –making is defined as the process of choosing a course of action from among alternatives to achieve a desired goal. It is one of the functions of management and also a core process of planning.

24. What are the techniques useful while evaluating alternatives?

- Quantitative and Qualitative analysis
- Marginal analysis
- Cost effectiveness analysis

25. Classify decisions.

- Programmed and non-programmed decisions
- Organizational and personal decisions

35. What is the main purpose of planning?

(April 2015) (May'2017)

Planning is the process of forecasting future problem, situation and events and selecting the course of action to handle them.

36. Distinguish strategic planning and tactical planning (April 2015)

- Strategic planning
 - It is an integrative and long range planning
 - It specified the action plan for the next five to ten years
- Tactical planning
 - It is a short range planning, normally covers a year
 - It represents planning of detailed operations.

37. Define objectives of planning. (June'2016)

Planning is the process of forecasting future problem, situation and events and selecting the course of action to handle them.

38. List the steps in decision making process. (June'2016)

- Stating organizational objectives
- Listing alternatives for reaching objectives
- Developing assumptions about each alternatives
- Choose the best alternative
- Develop plans to pursue the chosen alternatives
- Put the plans into action.

39. List the planning tools available in business management. (May'2017)

- (a)Environmental scanning
- (b)Strategy Formulation
- (c)Strategy implementation
- (d)Strategy evaluation

40. What is intuitive decision making? (April/May 2018)

Intuitive decision-making ability is also known as 'sixth sense' and involves being able to gather information that other individuals may miss. It is the opposite of rational decision making, which is when individuals use analytics, facts, and a step-by-step process to come to a decision

41. Define plan premises (April/May 2018)

A planning premise is a set of assumptions that are derived from forecasting the future. It is a logical and systematic estimate of the future factors that can affect planning. Planning premises provide a background against which the estimated events take place. These are the events that affect planning

42. What is meant by strategy? (Nov/Dec 2019)

Strategy is an, "art of troop leader; office of general, command, generalship") is a general plan to achieve one or more long-term or overall goals under conditions of uncertainty. A strategy describes how the ends (goals) will be achieved by the means (resources).

43. What are the techniques useful while evaluating alternatives? (Nov/Dec 2019)

Evaluate alternatives by examining the benefits and drawbacks of each alternative. During the evaluation of alternatives, careful consideration is given to social, economic, and ecological factors that influence the predicted outcome. Encourage discussion and use visual aids to help explain alternatives.

44. Discuss about the various conditions of decision making. (Nov 2020)

Certainty : People are reasonably sure about what will happen when they make a decision.

Uncertainty : In a situation of uncertainty, on the other hand, people have only a meager database, they do not know whether or not the data are reliable

Risk : In a situation with risks, factual information may exist, but it may be incomplete.

45. Define strategies and give characteristics of strategy. (Nov 2020)

Strategy is the determination of the basic long term objectives of an organization and the adoption of action and collection of action and allocation of resources necessary to achieve these goals.

Characteristics of Strategy

- It is the right combination of different factors.
- It relates the business organization to the environment.
- It is an action to meet a particular challenge, to solve particular problems or to attain desired objectives.
- Strategy is a means to an end and not an end in itself.
- It is formulated at the top management level.
- It involves assumption of certain calculated risks.

UNIT III ORGANISING

1. Define organizing. (June.2016)

Organizing is the process of identifying and grouping of activities required to attain the objectives, delegating authority, creating responsibility and establishing relationships for the people to work effectively.

2. Mention any four characteristics of an organization. (Nov 2020)

- Common objectives
- Specialization or Division of labor
- Authority of structure
- Group of persons

3. State the advantages of organization.

- Facilitate administration
- Increases the efficiency of management
- Facilitates growth and diversification
- Ensures optimum use of man and material resources

4. List out the steps involved in organization process.

- Determination of activities
- Grouping of activities
- Assignment of Duties
- Delegation of authority

5. Mention the three categories of span of management.

- Direct single relationship
- Direct group relationships
- Cross relation

6. What are the types of departmentation?

- Departmentation by numbers
- Departmentation by time
- Departmentation by Enterprise function
- Departmentation by Territory or Geography
- Departmentation by customers
- Departmentation by Equipment or process
- Departmentation by Product or service

7. Give a note departmentation by customers.

This type of departmentation is preferred when the needs of customers are different in nature. Some big organization is providing special services to different of customer.

8. Define authority. (Dec'2014)

Authority is the right to give orders and the power to exact obedience.

9. List out the sources of authority.

- Formal authority theory
- Acceptance authority theory
- Competence theory

10. What is line authority?

Line authority is the direct authority which a superior exercises over a number of subordinates to carry out orders and instructions. In organisation process, authority is delegated to the individuals to perform the activities.

11. What is staff authority?

The relationship between a staff manager and the line manager with whom he works depends in part on the staff duties.

12. List the steps involved in process of delegation.

- Determination of result expected
- Assignment of duties
- Delegation of authority
- Creation of obligation or accountability

13. What are the steps to be followed in making staff works effective?

- Understanding authority relationship
- Making line listen to staff
- Keeping staff informed
- Requiring completed staff work
- Making staff work a way of organizational life

14. State the kinds of organizational charts.

- Vertical chart
- Horizontal chart or left to right chart
- Circular chart or concentric chart

15. Define staffing. (Dec'2014)

Staffing is the part of the management process which is concerned with the procurement utilization, maintenance and development of a large satisfied work force on the organization.

16. Write any two roles of staffing.

- Effective utilization of skills and potential of the work force
- Development and maintenance of quality of work life

17. What is job analysis?

A detailed study of a job to identify the skills, experience and aptitude required for the job.

18. What is job design?

The job design is usually broad enough to accommodate people's need and desires.

19. What is job rotation?

Job rotation refers in the movement of an employee from the job to another.

20. Define recruitment.

B.Flippo defined recruitment as "the process of searching for prospective employees and simulating to apply for jobs in the organization.

21. What is selection?

The process of finding out the most suitable candidate to the job out of the candidates attracted.

22. Write down the tests used in selection process.

- Aptitude test
- Intelligence test
- Psychomotor test
- Personality test

23. What is orientation?

Orientation refers to the activities involved in introducing the new employees to the organization and its policies, procedures, rules, and regulations.

24. What is performance appraisal?

Performance appraisal evaluates the performance of worker also his potential for development.

25. What do you mean by job analysis?

Job analysis is the process of studying and collecting information relating to the operations and responsibilities of a specific job.

- 26. What is decentralization? (June'2016)**
Decentralization is the degree to which decision making takes at lower-levels.
- 27. What is delegation of authority? (May'2017)**
Delegation of authority means division of authority and powers downwards to the subordinate.
- 28. Why performance management is important? (May'2017)**
Performance management is a process by which managers employees work together to plan, monitor and review an employee's work objectives and overall contribution to the organization. So, it is necessary for appraising the performance of individuals, groups and organization is a common practice for all societies.
- 46. What is job design? (April/May 2018)**
Job design" refers to the way that a set of tasks, or an entire job, is organized. Job design helps to determine: ... In what order the tasks are done
- 47. Distinguish between authority and power (April/May 2018)**
When the question is about influencing or manipulating others, two things go that side by side in the field of management are **Power** and **Authority**. These two are used to make people respond in the manner directed. Power is referred to as the capacity of an individual to influence the will or conduct of others. As against, authority is termed as the right possessed by a person to give the command to others.
- 48. What is authority? (Nov/Dec 2019)**
Authority - in context of a business organization, authority can be defined as the power and right of a person to use and allocate the resources efficiently, to take decisions and to give orders so as to achieve the organizational objectives. The top level management has greatest authority.
- 49. What is selection? (Nov/Dec 2019)**
Selection is the process of picking or choosing the right candidate, who is most suitable for a vacant job position in an organization. Selection is a process of identifying and hiring the applicants for filling the vacancies in an organization.
- 50. What are the principles of organization structure? (Nov 2020)**
- Line and Staff Relationships
 - Departmentalization
 - Span of Control
 - De-centralization and Centralization

UNIT IV DIRECTING

1. Define multiplicity of roles.

Individuals not only the productive factor in management's plans. They are members of social system of many organizations.

2. Mention the importance of motivation.

- Proper utilization of human resources possible since it inspires employee's to make best possible use of different factors of production.
- Proper motivation improves the efficiency of operation.
- Motivation creates a willingness on the part of workers to do the work in a better way.

3. Name the steps involved in motivation process.

- Analysis of situation
- Preparing, selecting and applying a set of appropriate motivating tools.
- Follow up.

4. What are the types of motivation?

- Positive motivation
- Negative motivation
- Extrinsic motivation
- Intrinsic motivation

5. List out the basic needs in a hierarchy.

- Physiological needs
- Safety needs
- Social needs
- Esteem needs
- Self-actualization needs

6. What is job enrichment?

Job enrichment is based on the assumption that in order to motivate personnel, the job itself must provide opportunities for achievement, recognition, responsibility, advancement and growth.

7. Who is leader?

Leader is one who makes his subordinates to do willingly what he wants.

8. Define leadership.

Leadership is the process of influencing the behavior of others towards the accomplishment of goals in a given situation.

9. What is communication?

Communication is passing of information from one person to another person.

10. State the need for communication.

- To establish and spread goals of an enterprise widely.
- To develop plans for further achievement.

- To organize human and other resources in the most effective and efficient way.
- To select, develop and apprise members of the organization.

11. List the different types of communication flow.

- Downward communication
- Upward communication
- Horizontal or lateral communication

12. Note down the various communicating networks. (Dec'2014)

- Simple chain
- Wheel
- Circular
- Free flow
- Inverted V

13. State the advantages of democratic leadership.

- Subordinates motivated by participation in decision-making .This increases job satisfaction.
- Absence of leader does not affect output.
- Labor absenteeism will be minimum and turn-over maximum.
- The quality of decision is improved.

14. What are the barriers involved in effective communication?

- Physical barriers
- Socio-psychological or personal barriers.
- Organisational barriers.
- Semantic barriers.

15. List out the effective media in communication.

- A large bank supplies hardware and software to its customers.
- Several banks now make bank-by-phone services available even to individuals.
- E-mail service making easy delivery of documents.

16. What are the important assumptions made in X theory?

- The average human dislikes to work. He will avoid work if it is possible.
- People must be controlled, directed and threatened with punishment to make them work.

17. Mention the various factors involved in using motivational techniques.

- Money
- Participation
- Quality of working life

18. Mention the important of leadership.

- Motivating employees
- Leader develops team work
- Building morale
- Maintaining discipline

19. Name the various leadership styles.

- Autocratic or dictatorial leadership.
- Participative or democratic leadership.
- Laissez-faire or free rein leadership.

20. What is Laissez-faire? (Dec'2014)

Complete freedom is given to the subordinates so that they plan, motivate, control, and otherwise be responsible for their own actions.

21. What is organizational culture?

Organization culture prescribes norms and procedures for the employee's action towards client's competitors, supervisors, subordinates and peers

22. Define brainstorming

Brainstorming is a technique for simulating imaginative and novel ideas. It involves a group of people, usually between five ten sitting around a table, generating a lot of ideas

23. Mention the various types of leadership styles. (June'2016)

- (a) Autocratic style
- (b) Democratic style
- (c) Laissez Faire style

24. What is personality? (May'2017)

Personality encompasses a person's relatively stable feelings, thoughts and feelings.

25. What do you understand on term job enrichment? (May'2017)

Job enrichment allows employees to assume more responsibility, accountability and independence when learning new tasks or to allow for greater participation and new opportunities.

51. What are the advantages of democratic leadership styles? (April/May 2018)

- Brings more viewpoints to the table
- Allows for more efficient problem solving
- Invites higher levels of commitment
- Builds team relationships
- Increases morale and job satisfaction.
- Honesty is prioritised. ...

52. What is brainstorming? (April/May 2018)

Brainstorming is a method of generating ideas and sharing knowledge to solve a particular commercial or technical problem, in which participants are encouraged to think without interruption. Brainstorming is a group activity where each participant shares their ideas as soon as they come to mind.

53. What is job enrichment? (Nov/Dec 2019)

Job enrichment is a process that is characterized by adding dimensions to existing jobs to make them more motivating. Examples of job enrichment include

adding extra tasks (also called job enlargement), increasing skill variety, adding meaning to jobs, creating autonomy, and giving feedback.

54. List the different types of communication flow. (Nov/Dec 2019)

There are four main types of communication flow within a business: downward communication, upward communication, horizontal communication and multi-directional communication

55. Define motivation. (Nov 2020)

Motivation may be defined as those forces that cause people to behave in certain ways. Motivation encompasses all those pressures and influences that trigger, channel, and sustain human behavior.

56. What is job design? and give details about its approaches. (Nov 2020)

It is the process of Work arrangement (or rearrangement) aimed at reducing or overcoming job dissatisfaction and employee alienation arising from repetitive and mechanistic tasks.

Approaches

- Job Enlargement
- Job Rotation
- Job Enrichment

UNIT V CONTROLLING

1. Define control. (Nov 2020)

According to Koontz “Controlling to the measurement and correction of performance in order to make sure that enterprise objectives and the plans devised to attain them are accomplished”.

2. What are the characteristics of control?

- Control process is universal
- Control is continuous process
- Control is action based
- Control is forward looking.

3. What are the disadvantages of control?

- Control is expensive and time-consuming process.
- Human behavior and employee morale also cannot be measured.

4. Give some critical point standards of control?

- Cost standards, Revenue standards, Goals standards and, Program standards.

5. What are the types of control?

(April 2015)

- Feedback control
- Concurrent control
- Feed forward control

6. What is feedback control?

Feedback control is adjusting future action on basis of information from past Performance.

7. What are the requirements for effective control? (Dec'2014) (Nov 2020)

- The control should be economical
- It must be simple
- It should be flexible
- It should be clear objectives

8. What are the modern techniques of control?

- Management audit
- Return on investment
- PERT and CPM

9. Define budgetary control? (Dec'2014)

According to J.Batty “a system which uses budgets as a means of planning and controlling all aspects of producing and or selling commodities and services”.

10. Define budget?

According to J. Fred Meston “a budget is the expression of a firms plan in financial form for a period of time in to the future”.

11. What are the limitations of Budgeting?

- Inaccuracy
- Expenditure
- Distortion of goals

12. What is Zero Base Budgets?

Initially the budget is designed from a Zero base. The main element in ZBB is future objectiveOrientation.

13. What are the steps involves in ZBB?

- Decision package
- Ranking
- Allocation of resources

14. What is Internal Audit?

Internal audit is done by an internal auditor who is an employee of the organization. He examines the objectives, policies, plans, procedures and performance of the management.

15. Define MIS

A system of obtaining abstracting, storing and analyzing data to productions information for use in planning, controlling and decision making by managers at the time they can most effectively use it”

16. What are MIS Resources?

- To provide the information up to date
- To take effective decision making
- To provide the right information available in the right form at the right time

17. Define Productivity

Productivity is a measure of how much input is required to produce a given output the ratio is called productivity.

18. What are the factors affecting productivity?

- Technology,
- Human resources,
- Government policy,
- Machinery and equipment,
- Skill of the worker

19. What is OR?

OR is an applied decision theory, which uses scientific, mathematical and logical means to take decisions.

20. Define Multinational Corporations.

An enterprise which own or control production or service facilities outside the country in which they are based.

21. Write some advantages of MNC.

- MNC can promote quality product at lower cost.
- MNC leads to increase in production aggregate employment, exports and imports of the required inputs.
- MNC are paying taxes,their operations increase government revenues.

22. What are global theories of management?

- Situational and contingency approach.
- Motivation and leadership theory.
- Organisational behaviour.

23. What is Cost Control?

Minimizing costs the company must expend without sacrificing the end product thatthe customer receives.

29. What is preventive control in management?

(May'2017)

Preventive control attempt to prevent undesirable acts from occurring.

30. Why controlling is important?

(May'2017)

- (a)Control can minimize the mistakes
- (b)It discovers the deviation in the management
- (c)It minimizes the dishonest behavior of employees.

57. What are the characteristics of control function (April/May 2018)

- Managerial Function:
- Forward Looking:
- Continuous Activity:
- Control is Related to Planning
- Essence of Control is Action:
- Basis for Future Action:
- Facilitates Decision-making
- Facilitates Decentralization

58. What are performance appraisals? (April/May 2018)

A performance appraisal is a regular review of an employee's job performance and overall contribution to a company. Also known as an annual review, performance review or evaluation, or employee appraisal, a performance appraisal evaluates an employee's skills, achievements, and growth--or lack thereof.

59. What is budgetary control? (Nov/Dec 2019)

Budgetary control is financial jargon for managing income and expenditure. In practice it means regularly comparing actual income or expenditure to planned income or expenditure to identify whether or not corrective action is required.

60. What is the purpose of PERT? (Nov/Dec 2019)

Program Evaluation and Review Technique (PERT) is a method used to examine the tasks in a schedule and determine a Critical Path Method variation (CPM). It analyzes the time required to complete each task and its associated dependencies to determine the minimum time to complete a project

61. What is an operational planning? and what it must comprise? (Nov 2020)

An operational planning is a subset of strategic work plan. It describes short-term ways of achieving milestones and explains how, or what portion of, a strategic plan will be put into operation during a given operational period

Operational plans should contain:

- Clear objectives
- Activities to be delivered
- Quality standards
- Desired outcomes
- Staffing and resource requirements
- Implementation timetables
- A process for monitoring progress.

PART-B

UNIT-1

1. Explain the importance of management.
2. Indicate the three levels of management.
3. Explain the fourteen principles of general management by Henry Fayal (**Dec'2014**), (**Apr 2015**)
4. List and explain the types of partners.
5. Compare cooperative societies with joint stock companies
6. Explain the roles and social responsibility of a manager. (Dec'2014)
7. List the classification of companies and explain them
8. What are the essential conditions of globalization
9. list out the obstacles in globalization and explain
10. Discuss the relative importance of each type of the skills to lower middle and upper level manager.(April 2015)
11. Describe the motion study as used by the Gilberths (April 2015)
12. Is a management science a science or art? Discuss (June'2016)
13. Explain the evolution of management.(June'2016)
14. Explain the fourteen principles of management advocated by Henry Fayol. (June'16) (Nov2019)
15. Explain the different roles and function of a manager. (May'2017)
16. Explicate the different types of business organizations. (May'2017)
17. Explain the issues of organizational culture in modern business organization. (May'2017)
18. Elucidate the contribution of F.W Taylor to management (April/May 2018)
19. Enlighten the relevance of environmental factors that affects global business (April/May 2018)
20. Write short notes on the current trend and challenges in Managements (Nov/Dec 2019)
21. Explain the different types of business organizations with their merits and demerits. (Nov/Dec 2019)
22. Elaborate internal and external factors affecting the organisation culture. (Nov 2020)

UNIT-2

1. Elaborate the different types of organizational plans (April 2015)
2. What is planning? Describe the steps involved in planning. (Dec'2014)
3. Explain Characteristics of Decision Making
4. Explain in detail about M.B.O. (Dec'2014)
5. State and explain different types of decisions
6. Explain decision making process with block diagram
7. What are the steps in effective decision making? (April 2015)
8. What are the eight steps approaches to effective decision making
9. Explain the factors affecting the decision making process
10. State the difficulties in decision making
11. Discuss some of the tools for developing organizational strategies. (April 2015)
12. What do you understand by Management by Objectives? What are its advantages and limitations? (April 2015)
13. What is the objectives of planning? Illustrate how you will set objectives for a manufacturing organization. (June'2016)
14. With suitable example illustrate the steps involved in the process of decision making. (June'2016)
15. Explain the general planning process adopted by the business organizations. (May'2017).
16. Discuss the eight steps of decision making process. (May'2017) (Nov 2020)
17. Classify the types of goals organization might have and the plans they use for accomplishment. (April/May 2018)
18. Define MBO. Explain the process of MBO (April/May 2018)
19. Describe the steps in planning process with suitable illustration. (Nov/Dec 2019)
20. Explain the various tools and techniques in strategic planning. (Nov/Dec 2019)
21. Give information about the classification of strategies according to Michel porter and what are the characteristics of strategy? (Nov 2020)

Unit-3

1. State the nature and purpose of organizing
2. Explain the principles of organization
3. Discuss formal and informal groups
4. Discuss in detail Span of management
5. What are formal and informal organization state differences? (April 2015)

6. Explain organization chart and state its types.
7. Describe the various bases for departmentation and suggest a scheme of departmentation for a large marketing organization with a field network all over the country. (Dec'2014)
8. Explain selection and recruitment process. (Dec'2014)
9. Write briefly about Departmentation strategies and classification.
10. Discuss staff authority and decentralization
11. Write about delegation, compare with decentralization
12. Explain Steps in scientific selection process:
13. Explain HRD, performance appraisal and techniques
14. Write note on training and development
15. Explain the organization development process
16. Describe a case in which matrix organizational structure will be effective. Also discuss the advantages and limitations of matrix organizational. (April 2015)
17. "Delegation is the ability to get result through others" – Discuss. Explain the steps and guidelines to be followed while delegating authority. (April 2015)
18. Explain the various method of training. (April 2015)
19. In detail explain the nature and purpose of Organization. (June'2016)
20. Explain line and functional organizational structures with their advantages and limitations. (June'2016)
21. Explain the difference types of organizational structures followed by the companies. (May'2017)
22. Describe the Human Resource Management activities in a business organization. (May'2017)
23. Job performance of individual as significantly influenced by the employee's attitude-discuss. (May'2017)
24. Describe six keys elements in organizational design (April/May 2018)
25. Discuss the tasks associated with identify and selecting competent employees (April/May 2018)
26. Explain the types of organizations mentioning in advantages and disadvantages. (Nov/Dec 2019)
27. Explain the process of selection with a neat sketch. (Nov/Dec 2019)
28. Discuss about various types of selection process towards recruitment. (Nov 2020)
29. Discuss about purpose and process of training. (Nov 2020)

UNIT-4

1. Define, explain Creativity and Innovation
2. Discuss different Motivation Theories
3. what are the types of Leadership Styles

4. Explain various Leadership theories
5. Explain need of effective communication
6. What are the Barriers to effective communication
7. Explain clearly the Organization Culture
8. What are the Elements of Organization Culture
9. Discuss different types of culture
10. State the meaning and merit of managing cultural diversity.
11. Describe any one motivational theory and suggest how the motivation theory might aid in getting managers to motivate their staff. (Dec'2014)
12. Explain the different barriers of communication. What steps can be taken to overcome such barriers? (Dec'2014)
13. Explain the types of formal organizational communications (April 2015)
14. Discuss the obstacles to the leader flexibility and leader styles based on them.(April 2015)
15. Does motivation important for organizational development/ achievement? Justify your answer with Maslow's hierarchy of needs. (April 2015)
16. What is the essential qualities of a good leader? (June'2016)
17. Name the motivational theories and explain any two of them. (June'2016)
18. Discuss how the communication through the electronic media is helpful for effective business. (June'2016)
19. Discuss the contemporary theories of motivation. (May'2017)
20. Identify the barriers in communication and explain how to overcome them.(May'2017)
21. Compare and contrast early theories of motivation. (April/May 2018)
22. Identify barriers to effective interpersonal communication and how to overcome them (April/May 2018)
23. Describe the stages in group development process. (Nov/Dec 2019)
24. What is effective communication? List out and explain the barriers in communication. (Nov/Dec 2019)
25. Discuss about the different modes of communication along with their merits and demerits. Also highlight role of IT in todays communication. (Nov 2020)
26. Define leadership and discuss about different styles in leadership with their merits and demerits. (Nov 2020)

Unit-5

1. Discuss what is System and process of controlling
2. What is control, Explain the common types of control (Dec'2014)
3. Write notes on Budgetary and non-budgetary control techniques.(Dec'2014)
4. What is meant by managing productivity? Discuss briefly.
5. Explain Cost and its Control
6. Discuss briefly about Purchase Control
7. State how to ensure and maintain Quality Control
8. Describe in detail about planning operations
9. Explain the relationship between controlling overall management. Discuss the steps in controlling the process. (April 2015)
10. Describe the potential barrier to successful controlling (April 2015)
11. Discuss briefly about (1) break even analysis (2) budget as tools for organizational control (April 2015)
12. What is productivity? Explain methods of improving the productivity in IT industry. (June'2016)
13. Write short notes on:
 - (i) control of productivity problems and management.
 - (ii) Direct and preventive control. (June'2016)
14. Describe in detail about the three steps in the control process. (May'2017)
15. Discuss the uses of computers and IT in management control.(May'2017)
16. Illustrate and explain the three steps in the control process (April/May 2018)
17. Discuss the various types of tools used to monitor and measure organizational performance, (April/May 2018)
18. Explain the process of controlling with a flow diagram. (Nov/Dec 2019)
19. Write shorts notes on modern methods of controlling in detail. (Nov/Dec 2019)
20. What are the techniques of budgetary control techniques and non-budgetary control? (Nov 2020)
21. Discuss the process of control and the barriers of controlling in the organization with the suitable examples. (Nov 2020)

Part – C

1. Analyze the case and answer the questions : (Nov 2020)

Mathew James was the manager at Health-Time, a small but popular fitness club in a mid-sized college town. Health-Time had found a niche in the local market, providing high quality aerobics classes and lots of them. The instructors at Health-Time were superior to those at other facilities around town, and Health-Time offered high-impact low-impact and step aerobics and bodysculpting classes. By offering more than 80 classes per week, Health-Time attracted members who wanted a variety

of classes at all times of the day. The Health-Time also included exercise bikes, stair climbers, treadmills and a small weight room, but its “bread and butter” was clearly the aerobics program.

Matt James had recently taken over as manager after working at Health-Time for Five years as an aerobics instructor. matt’s classes were popular and he was justifiably proud of the aerobics program and his part in making it a success. When he took the job as manager, however, Health-Time was not in good shape financially. membership was dropping slightly, and personnel costs were too high. in his first month as manager, matt worked to streamline the staff by eliminating the positions of assistant manager and weight room supervisor and cutting the membership coordinator position to half-time. Though there was unavoidable unhappiness surrounding these changes, matt was pleased that he had reduced the management staff to himself, clarissa (a half-time bookkeeper) and mei-Chen (a half-time membership coordinator). after a short month as manager , matt felt that he had the “office side” of the club in order and he turned his attention to receptionists and aerobics instructors. He had noticed that many receptionists and aerobics instructors did not take their jobs as seriously as he would like. The receptionists spent more time chatting with members than on job tasks (i.e., checking people in, writing receipts, answering phones and cleaning up during downtime). The aerobics instructors often ran into their classes with little time to spare and had to rush to get their cassette tapes ready for class. instructor and receptionists were also accustomed to informally swapping shifts and classes when the posted schedule conflicted with other plans. Almost all of the reception staff and aerobics instructors were students at the local university. Receptionists were paid the minimum wage and aerobics instructors were paid about \$15.00 per class taught.

Matt decided to hold a general meeting to let the aerobics and reception staff know what he expected now that he was manager. Though he had been their “buddy” when he taught aerobics, he knew that his loyalty now had to be with the financial success of Health-Time. He truly cared about the club and wanted to see it thrive for both professional and personal reasons. at the meeting, matt told the instructors and receptionists that they all had to pull together for the good of Health-Time logo. He then explained why he thought they should shape up and change their behaviors on the job. as his employees slumped in their chairs, he laid down the law.

“ i know things have been lax around here, he said , “but the success of HealthTime depends on everyone pulling together to make this place work. I know you’re all used to the way things used to be around here, but we have to change. There’ll be no more idle chatter on the job and every instructor will be prepared for class at least 15 minutes ahead of time. All changes in the schedule will go through me. When we do change and when this club is as successful as it can be, you’ll feel proud to be a part of this place and what we’ve accomplished together !” Three weeks later, matt was perplexed. Three of his receptionists had quit, telling him that they could earn minimum wage elsewhere. Two aerobics instructors had decided to start teaching at the University athletic Club rather than at Health Time. Although the remaining staff members were now following his rules regarding job behavior and scheduling, morale seemed to be at an all-time low.

“you know, i just can’t understand these people,” matt complained to a friend. “We’ve got a great thing going with Health-Time. We’re the best aerobics program in town and they should feel proud to be a part of it. i know i get a real bang out of making that place the best it can be – i always have, even when i was just an instructor. But these people just don’t seem to care. And when i talk to them about the

problem, it only gets worse. i even gave them sweatshirts to get them motivated, but they still quit on me! is it me, or is it them ? and what should I do now ?

Questions :

- 1) Describe the motivational problems of the staff at Health-Time using maslow's Needs Hierarchy.
 - 2) Describe the motivational problems of the staff at Health-Time using the expectancy theory of motivation. Discuss the staff's outcome valences, effort-to-performance (E-to-p) and performance-to-outcome (p-to-E) expectancies.
 - 3) Describe the motivational problems of the staff at Health-Time using the equity theory of motivation. Discuss whether the staff is in a situation of under reward inequity or over reward inequity and how they are attempting to restore a feeling or sense of equity.
 - 4) What strategies would you recommend to matt to deal with the problem?
2. Concentration of power OR Delegation of Authority – which one is better for effective/ successful functioning of organisation – Justify your answer. (Nov 2020)