

MANAGEMENT (Paper I)

Time Allowed : Three Hours

Maximum Marks : 250

QUESTION PAPER SPECIFIC INSTRUCTIONS

(Please read each of the following instructions carefully before attempting questions)

There are EIGHT questions divided in two Sections.

Candidate has to attempt FIVE questions in all.

Question Nos. 1 and 5 are compulsory and out of the remaining, any THREE are to be attempted choosing at least ONE question from each Section.

The number of marks carried by a question/part is indicated against it.

Wherever any assumptions are made for answering a question, they must be clearly indicated.

Word limit in questions, wherever specified, should be adhered to.

Attempts of questions shall be counted in sequential order. Unless struck off, attempt of a question shall be counted even if attempted partly. Any page or portion of the page left blank in the Question-cum-Answer Booklet must be clearly struck off.

SECTION 'A'

1. Answer all of the following in about 150 words each:— **5×10=50**
- (a) Discuss how the efficiency and effectiveness of a manager would impact organisation performance.
 - (b) What is the relationship between Goal-Effort-Result? Explain with an example.
 - (c) Distinguish between 'Authority' and 'Power' with an example. How can empowerment enhance individual performance?
 - (d) Explain 'Affirmative Action' and its implications for organisations.
 - (e) What characteristics would you look for in selecting an expatriate manager?
2. (a) What is the role of human resource management in formulating business strategy? **15**
- (b) Explain the relationship between values, perception, attitudes and behaviour in context of individual behaviour. **20**
- (c) What is 'Stereotyping'? How does it influence the decision-making process? **15**
3. (a) What are key ingredients of a 'Learning Organisation'? Give an example to substantiate your answer. **15**
- (b) Explain how 'Job Design' would influence 'Quality of Work Life'? **15**
- (c) What is 'Situational Leadership'? Suggest the leadership style that is relevant for different levels of maturity of subordinates. **20**
4. (a) Describe four sources of organisational stress. How does stress impact employee behaviour? **20**
- (b) What is Corporate Social Responsibility? Describe two CSR initiatives taken by organisations in the Indian context. **15**
- (c) How has technological advancement influenced communication and relationships amongst organisational members? **15**

SECTION 'B'

5. Answer all of the following in about 150 words each:— **5×10=50**

- (a) Analyse the nature and scope of marketing in the digital era.
- (b) Distinguish between 'relevant cost' and 'irrelevant cost' for decision-making purposes.
- (c) What do you understand by 'Capital Adequacy'? Why is it important for financial sector reform?
- (d) Compare 'leasing' and 'buying' as alternative methods of financing. Explain with an example.
- (e) Explain with an illustration the method of estimating required rate of return based on CAPM.
6. (a) Explain the differences between 'Consumer Marketing' and 'Industrial Marketing' with one example from each. **20**
- (b) Explain the difference between 'Financial Accounting', 'Cost Accounting' and 'Management Accounting'. How are these inter-related? **20**
- (c) Under what conditions should a firm pay cash dividend or bonus shares? **10**
7. (a) What is 'Market Research'? How does market research help in developing a suitable marketing strategy for a new product? **20**
- (b) Explain "DuPont" analysis and its components. **10**
- (c)(i) Why is 'Employee Stock Option' shown as part of equity in the balance sheet when it does not bring in cash to the firm? **8**
- (c)(ii) Explain the benefits of stock options. **12**
8. (a) Kanchan Machine Works has received an export order for surface finishing of 1,000 castings at the rate of Rs. 60 per casting, as against Rs. 70 per casting that is normally charged. The direct materials cost for the job is estimated to be Rs. 10 per casting. The machine hour rate is Rs. 14, calculated as follows:
- | Cost Item | Rate | Remark |
|--------------------------|-------|----------------------------|
| Power | Rs. 4 | Fully variable with output |
| Supplies | Rs. 3 | 80% variable with output |
| Indirect labour | Rs. 2 | 50% variable with output |
| General factory overhead | Rs. 5 | Not variable with output |
- Each casting requires four hours of machining. The business has an annual capacity of 10,000 castings; 75 per cent of the capacity has been utilized and the business has committed orders for 500 castings.
- (a)(i) Estimate the incremental profit or loss from the order. **14**
- (a)(ii) Mention two non-financial factors that the business should consider while deciding on the order. **6**
- (b) A pushcart vendor and a vegetable store vendor have identical sales and operating profit (i.e. profit before interest and tax):
- (b)(i) Using assumed numbers, calculate the degree of operating leverage for the two businesses. **10**
- (b)(ii) Which of the two businesses can have a higher financial leverage? **10**
- (c) How should a popular consumer product company protect its reputation or image from scandals concerning its products? **10**