

**CC/M/EXAM.**  
**2020**

**MANAGEMENT**

PAPER—I

Time : 3 hours ]

[ Full Marks : 250

**Note :** 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.

SECTION—A

1. Answer *any five* of the following questions in about 150 words each : 10×5=50

- (a) Substantiate the statement that “Managers must delegate effectively to develop employees”.
- (b) Discuss the impact of establishment of a single European market in 1992 as a big challenge to Indian economy and how the Indian industry coped up with it.
- (c) List out and explain the differences between intrinsic and extrinsic rewards, and relate them to models of Management Science as propounded by Maslow and Herzberg.
- (d) Feedback signals and control signals are present not only in electronics, but are intrinsic part of an organization. Elucidate the above in light of effective managerial communication practices.
- (e) According to Edwin B. Flippo, “Recruitment is a process of searching prospective employees and stimulating them to apply for jobs”. Argue pros and cons of why an organization needs to pick up from a mass of applicants, rather than select from a few candidates.

(f) Human Resource Accounting as a practice is too objective to place actual value of workforce in an organization as creativity and inherent expertise factors are marginalized. Present your opinion on the above statement.

(g) In this present era of digital connectivity, comment on managerial and ethical issues of having the workforce under constant connection and surveillance.

2. Answer the following questions :

(a) Describe POSDCORB—the elements as propounded by Gulick's in "Notes on the Theory of Organization"—and make an attempt at justifying relevance of the acronym in present situation of digitally borderless business organizations. 20

(b) Social entrepreneurship is propounded with the primary goal to create an economic and social value for society, which translates that generating exorbitant money for the entrepreneurs is not its primary agenda. With such a mandate, which set of entrepreneurs are most likely to step into social entrepreneurship? What would be some motivational factors for first generation entrepreneur to be interested to forage into social entrepreneurship? How can a social entrepreneur tap into a pool of fresh graduates to join such an organization? 15

(c) How would you connect management of change with management of innovation? How can employees be made to adapt to changes in work environment of a progressive organization? 15

3. Answer the following questions :

(a) Empowerment is generally assumed to make employees productive and thereby aid in development of an organization. Based on OB fundamentals, put forward your arguments for and against using empowerment as a managerial tool. 20

(b) What concepts of Management Science can be utilized for checking and controlling power and politics in a Government organization? 15

(c) Describe a few situations where traditional techniques of work organization and bureaucratic controls may not provide desired motivational results from workforce of knowledge-based organizations. 15

4. Answer the following questions :

- (a) With the growth of number of cross-border organizations, how can we ensure equality of worker's status amidst diversity of ethnicity and work culture? Indicate a few variables and/or attributes for measuring organizational effectiveness in multinational organizations. 20
- (b) In context for compensation and rewards, explain with examples the concepts of 'Pay for Person' and 'Pay for Position'. 15
- (c) In pandemic uncertainty situations, human resource departments are facing newer challenges of managing workforce in work from home/remote locations work environment. List out a few such challenges and suggest solutions to cope with this new work environment. 15

SECTION—B

5. Answer *any five* of the following questions in about 150 words each : 10×5=50

- (a) Explain inappropriateness of the dictum that 'what was spent last year has to be spent this year as well' and justify the practice of Zero Based Budgeting.
- (b) What are 'fringe benefits' and how does Cost Accounting deal with it?
- (c) Profit Maximization is necessary for the survival and growth of the enterprise. Wealth maximization accelerates growth. With this dichotomy, what should be primary focus of an organization from the financial angle?
- (d) What would you understand if an enterprise is said to have a good operating leverage? How does good operating leverage magnify earnings result with modest revenue increase?
- (e) What would be your opinion on a statement that, 'With extensive proliferation of electronic media, rural marketing efforts are on their way of converging with urban marketing practices?'
- (f) "A high resource company in a mass market should use a differentiated approach, provided the customers are also differentiated." With adequate justifications, explain whether you agree or disagree to the above statement.
- (g) "Marketing professionals in the field of preparing and selling financial instruments and products need more marketing skills than financial knowledge". What would be your stand on the given statement?



6. Answer the following questions :

- (a) For a manufacturing unit, the cost sheet based on a budget volume of sales of 400000 units per quarter is as under :

	( ₹ per unit )
Direct materials	6.00
Direct wages	3.00
Factory overheads (50% fixed)	8.00
S/ Adm. Overheads (1/3 variable)	4.50
Selling price	24.00

At the Quarterly plan meeting this budget was discussed, and it was felt that marketing would be able to achieve only a volume of 300000 units of production and sales per quarter under present situation. The company therefore decided to opt for sales promotion campaign under following proposals :

Proposal I :

Sell 500000 units per quarter by spending ₹ 2,50,000 on advertising  
The factory fixed costs will increase by ₹ 4,00,000 per quarter

Proposal II :

Sell 600000 units per quarter subject to the following conditions—

- (i) An overall price reduction of ₹ 2 per unit is allowed on all sales
- (ii) Variable selling and administration costs will increase by 6%
- (iii) Direct material costs will be reduced by 1.5% due to purchase price discounts

The fixed factory costs will increase by ₹ 2,50,000 more.

You are required to prepare a flexible budget at 300000, 500000 and 600000 units of output per quarter and calculate the profit at each of the above levels of output.

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- (b) With adequate deductions, justify why price of items purchased has no importance on Economic Order Quantity (EOQ), under basic model assuming no safety stock, no price discount, single delivery and constant consumption.

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- (c) With examples, explain how differential cost analysis assists the manager in decision making. How does differential cost analysis allow determination of most profitable level of production and price?

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7. Answer the following questions :

- (a) DuraBell forecasts demand of 2600 units for its flagship product—Rubicon, each priced at \$2000, for next year. Details of production cost for DuraBell per unit of Rubicon are as follows :

Material inputs	\$800
Direct wages	\$400
O/H expenses	\$400

O/H expenses include \$0.26 million on depreciation. It may be assumed that production is maintained evenly over the year, on a weekly basis. Also, all sales are on credit, and materials are introduced at the beginning of the process. Additional informations of production are as follows :

Input material in stock	4 weeks average period
WIP (Material 100%, Labour and OH 50%)	1 week average period
Finished goods	1 week average period
Credit allowed to debtors	6 weeks average period
Credit allowed by suppliers	4 weeks average period

Calculate Net Working Capital Requirements of the company, if cash balance to be maintained is \$60,000 as per DuraBell's company policy.

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- (b) What is Capital Budgeting? Describe the normal procedure followed for capital budgeting. Under what circumstance(s) would an organization allow a project with negative NPV to be undertaken?
- (c) Distinguish between Capital Market and Money Market. With specific example in Indian context, explain why Regulators are required for these Markets.

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8. Answer the following questions :

- (a) Discuss some situations and reasons why successful pan-national enterprises may fail miserably when they venture out to operate across international border.
- (b) How is a Consumer different from a Customer? Can the two be a same person/entity? In what situations can there be a third person/entity between a customer and a consumer? Provide examples at relevant points.
- (c) Successful marketing efforts generally involve differentiation of the product for separate market segments. With illustrative analogies of other products based on fundamental concepts of marketing, discuss how 'tissue paper' as a product can be marketed using above strategy across multiple segments.

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