

Mid-West University  
**Examinations Management Office**  
Surkhet, Nepal  
Final Examination-2078  
Master of Business Administration (MBA)  
Semester - I

R.No.....

Subject: Foundations of Management  
Full Marks: 100 Pass Marks: 50

Course Code: MGT 511  
Time: 4:00 Hours

**SECTION A: MULTIPLE CHOICE QUESTIONS (1 × 20 = 20 MARKS) / (TIME: 20 MINUTES)**

*Tick the best answers.*

1. Drawing from the Mintzberg, what are the three informational roles of manager?
  - a. Figurehead, leader and liaison
  - b. Monitor, disseminator and spokesperson
  - c. Spokesperson, leader and coordinator
  - d. Director, coordinator, disseminator
2. Which of the following is not a part of the internal environment of an organization?
  - a. Organizational culture
  - b. Inflation rate
  - c. Organizational structure
  - d. Employees
3. Which one feature is not form Fayol's 14 principles of management?
  - a. Division of work
  - b. Authority and responsibility
  - c. Discipline
  - d. Team work
4. Which one of the followings does not associate with theory of bureaucracy?
  - a. Organizational structure
  - b. Impersonal
  - c. Division of labour
  - d. Informal group
5. Hawthorne studies are associated with which management perspective?
  - a. Scientific management perspective
  - b. Administrative management perspective
  - c. Quantitative management perspective
  - d. Behavioral management perspective
6. Which one of the following elements constitutes the functions of organizing?
  - a. Organizational structure and motivation
  - b. Leadership and decision making
  - c. Organizational structure and departmentalization
  - d. Leadership and motivation
7. Joe thinks that his workers hate their jobs and only come to work to earn their paychecks. However, he is satisfied with their creativity and imagination when they work on projects. Is Joe a typical Theory X manager?
  - a. Yes, because he thinks his workers hate their jobs.
  - b. No, because he thinks his workers are only interested in their jobs because of the money.
  - c. No, because he believes in their creativity and imagination.
  - d. Yes, because they are all self-centered.
8. Which one of the followings is not true in contingency management perspective?
  - a. No two situations are identical
  - b. Management depends on the context
  - c. There is no one best way
  - d. Management perspectives are mutually exclusive
9. Which one of the followings is not the factor of economic dimension of external environment?
  - a. Weather
  - b. Inflation rate
  - c. Employment rate
  - d. Purchasing power
10. "Doing just enough to comply with legal requirements". Which approach does the given statement closely associate with?
  - a. Obstructionist approach
  - b. Defensive approach
  - c. Proactive approach
  - d. Accommodative approach

11. Shortfalls in the human resource inventory is fulfilled by
- a. hiring new employees
  - b. transferring the existing employees
  - c. encouraging early retirements
  - d. laying off
12. Span of controls means -----.
- a. various departments
  - b. a person's defined authority
  - c. subordinate under a superior
  - d. the extent of workforce a supervisor or manager can supervise or direct
13. The decision maker faces the conditions of:
- a. certainty, risk and uncertainty
  - b. risk, uncertainty and unpredictability
  - c. predictability, comfort ability and certainty
  - d. none of the above
14. Operational plans are
- a. long term and comprehensive
  - b. short term and specific
  - c. medium term and link between management levels
  - d. medium term and conceptual
15. Communication in organization should flow in a proper hierarchy. Which one concept talks about this statement?
- a. Division of work
  - b. Chain of command
  - c. Authority-responsibility
  - d. Esprit De corps
16. Organization A is hiring the line managers for the vacant positions, which one type of skill set would they prefer during hiring new candidates?
- a. High level of technical education with least conceptual skills.
  - b. Lower level of technical skills with interpersonal skills
  - c. Minimum conceptual skills with human skills
  - d. High level of conceptual skills with least technical education
17. Globalization helps:
- a. Accumulate more profits
  - b. Develop export sphere
  - c. Increase earnings per share
  - d. Motivate employees
18. What is the main purpose of Porter's Five Forces Model?
- a. Decide which products to launch
  - b. Analyze competition in a market
  - c. Inform investment appraisal decisions
  - d. Manage product portfolios
19. \_\_\_\_\_ distinguishes a managerial position from a non-managerial one.
- a. Manipulating others
  - b. Concern for the law
  - c. Increasing efficiency
  - d. Coordinating and integrating others' work
20. Constructive conflict
- a. deepens individual differences in values.
  - b. destroys the morale of people.
  - c. helps build cohesion
  - d. diverts energy from task/issue

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**SECTION B: SHORT ANSWER QUESTIONS (5X6 = 30 MARKS)**

*Answer any FIVE questions:*

1. Explain how manager displays several of the important skills. Give an example of each. How might the importance of different skills vary between levels and areas within an organization? [3+3]
2. Describe the system perspective. Why is a business organization considered an open system? [2+4]
3. Consider the general and task environments of a firm. Which one of the environments has the most immediate impact on the firm? Which one of the environments has a more diffuse and delayed impact? Explain. [1+2+3]
4. Compare and contrast internal and external recruitment in terms of their benefits and challenges. [6]
5. Evaluate any one approach to leadership in terms of its relevance in today's context. What can managers learn from this approach? [4+2]
6. Describe the individual and organizational barriers to effective communication. For each barrier, describe one action that a manager could take to reduce the problems caused by that barrier. [2+4]
7. Too few or too many conflicts may hurt performance. Do you agree to this statement? Justify your argument. [6]

**SECTION C: LONG ANSWER QUESTIONS (2X15 = 30 MARKS)**

*Answer any TWO questions:*

8. The approach an organization adopts towards social responsibility falls along a continuum of lesser to greater commitment. Describe the various approaches to social responsibilities along with arguments for and against it. [15]
9. Practitioners usually argue that the many management concepts have been outdated. What are the emerging trends in management concepts and how do you think these concepts are relevant to the modern world? [4+8+3]
10. Describe the principles of scientific management and administrative management. What assumptions do these perspectives make about workers? To what extent are these assumptions still valid today. [4+6+5]

**SECTION D: CASE STUDY (20 MARKS)**

11. Read the Case given below and answer the following questions:

**Creative Deviance: Bucking the Hierarchy?**

One of the major functions of an organizational structure is to increase standardization and control for top managers. Using the chain of command, managers can direct the activities of subordinates toward a common purpose. If the right person with a creative vision is in charge of a hierarchy, the results can be phenomenal. Until Steve Jobs' regrettable passing in October of 2011, Apple had used a strongly top-

down creative process in which most major decisions and innovations flowed directly through Jobs and then were delegated to sub-teams as specific assignments to complete.

Then there is creative deviance, in which individuals create extremely successful products despite being told by senior management to stop working on them. The electrostatic displays used in more than half of Hewlett-Packard's instruments, the tape slitter that was one of the most important process innovations in 3M's history, and Nichia's development of multi-billion-dollar LED bright lighting technology were all officially rejected by the management hierarchy. In all these cases, an approach like Apple's would have shut down some of the most successful products these companies ever produced. Doing "business as usual" can become such an imperative in a hierarchical organization that new ideas are seen as threats rather than opportunities for development.

It's not immediately apparent why top-down decision-making works so well for one highly creative company like Apple, while hierarchy nearly ruined innovations at several other organizations. It may be that Apple's structure is actually quite simple, with relatively few layers and a great deal of responsibility placed on each individual for his or her own outcomes. Or it may be that Apple simply had a very unique leader who was able to rise above the conventional strictures of a CEO to create a culture of constant innovation.

### Questions:

- a. Do you think it's possible for an organization to deliberately create an "anti-hierarchy" to encourage employees to engage in more acts of creative deviance? What steps might a company take to encourage creative deviance? [5]
- b. What are the dangers of an approach that encourages creative deviance? [5]
- c. Why do you think a company like Apple is able to be creative with a strongly hierarchical structure, whereas other companies find hierarchy limiting? [5]
- d. Do you think Apple's success has been entirely dependent upon Steve Jobs' role as the head of the hierarchy? What is the potential liability of a company that is so strongly connected to the decision-making of a single individual? [5]

**THE END**

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R.No .....

Subject: Critical Thinking  
Full Marks: 100 Pass Marks: 50

Course Code: MGT 512  
Time: 4: 00 Hours

**SECTION A: MULTIPLE CHOICE QUESTIONS (1 × 20 = 20 MARKS)/ (TIME: 20 MINUTES)**

Tick the best answers.

1. The word 'critical' in critical thinking refers to...
  - a. Digging out a mistake of others
  - b. Attacking a person
  - c. Using careful judgment
  - d. Divergent thinking
2. Which one is the nearest example of a hasty generalization?
  - a. 5 of our class students had been given chance to visit on village development program many times this year, they stood first, second in exams, sending students on visits as the one mentioned is instrumental to boost performance in exams
  - b. If you win the horse race, I will give 10 bucks in reward
  - c. We had a storm last night with hurricane-strength winds, and many trees were downed. There was a citywide power outage.
  - d. Man is mortal, Sony is a man, he will surely die
3. According to Bloom's taxonomy, which one of the followings is in sequence from lower-order to higher-order skills?
  - a. Knowledge, Application, Comprehension, Analysis, Evaluation, Creation
  - b. Knowledge, Comprehension, Analysis, Application, Evaluation, Creation
  - c. Knowledge, Comprehension, Application, Analysis, Evaluation, Creation
  - d. Knowledge, Comprehension, Application, Evaluation, Analysis, Creation
4. Select which is in correct sequence regarding creativity
  - a. Presentation, execution, finalization, conception
  - b. Conception, execution, development, finalization
  - c. Execution, finalization, conception, development
  - d. Conception, development, execution, finalization, presentation
5. Identify the type of fallacy in the following argument; Instructor to student: Look, I know you were in a car accident. But if I give you a make-up exam then next thing you know, anyone who's sick will want to take a make-up. Then, before you know it, anyone who would prefer to go to the movie or concert during class will want a make-up too.
  - a. Appeal to authority
  - b. Hasty generalization
  - c. Appeal to pity
  - d. Slippery slope
6. Identify the type of fallacy in this argument; What Paulo said, 'idealism is the mother of moralism,' can't be easily accepted only because Paulo is pedagogue whereas idealism and moralism are two politic wings. How can a pedagogue claim what is true in politics?
  - a. Association effects
  - b. Irrelevant reasons
  - c. Appeal to tradition
  - d. Argument against a person
7. Which one is not the state of creativity in action?
  - a. Generating new ideas or improvements of the old ones; intuitive or logical reasoning
  - b. Meditating with the help of asound sleep music
  - c. Organizing people or projects; community creativity
  - d. Building a relationship; collaborating
8. Decisions for 'broad, unstructured and sparse' types of problems are made by ..... level management.
  - a. Top
  - b. Middle
  - c. Operational
  - d. All of the above
9. Fuzzy logic is significant and must be used because:
  - a. Fuzzy logic multiplies the design development cycle
  - b. Fuzzy logic is a better alternative solution to linear control
  - c. Fuzzy logic improves control performance
  - d. It counters the value and meaning of monolithic logic

10. Which one of the followings major issue in group decision making?
  - a. More complete knowledge
  - b. More alternatives
  - c. Increased validity to acceptance of solutions
  - d. Pressure to conformity
11. Game theory was created by:
  - a. J. Von Neumann and O. Morgenstern
  - b. John Nash
  - c. Rusell Crowe
  - d. Selten and Harsanyi
12. Which one of the following decision making styles is used by a manager with an intuitive way of thinking and high tolerance for ambiguity?
 

a. Analytic	c. Behavioural
b. Conceptual	d. Directive
13. Which decision making style is used by a manager with rational way of thinking and high tolerance for ambiguity?
 

a. Behavioural	c. Conceptual
b. Analytic	d. Directive
14. Which one of the following is a characteristic of a creative thinker?
  - a. Often thinks in ways that are new, novel, and of interest to the target people
  - b. Pretends to know more than he does beyond limitations
  - c. Not listens to opposing points of views
  - d. Is ethno centric
15. .... is not a misconception about critical thinking.
  - a. It is widely a negative process.
  - b. It involves inquisitiveness
  - c. It seems to involve traumatic change
  - d. It is dispassionate
16. Creative problem solving is:
  - a. Bound by system in as much as convergent approach would allow
  - b. Bound by objective finding
  - c. Bound by group decision making principles
  - d. Bound by fact and fiction finding
17. Brainstorming is a method with a basic rule;
  - a. No idea is too ridiculous, so group members are encouraged to state even extreme ideas.
  - b. The ideas can be criticized.
  - c. The purpose of the session is to generate and evaluate ideas.
  - d. Each idea presented belongs to the member stating it and not to the group.
18. Which one of the following sequences is correct lateral creativity?
  - a. Uniqueness- breadth-innovation-analogies-out of the box-non-logic
  - b. Breadth-innovation-uniqueness-analogies-out of the box- non-logic
  - c. Innovation-uniqueness-analogies-out of the box- non-logic-Breadth
  - d. Out of the box- innovation-uniqueness-analogies-non-logic-Breadth
19. Which is a disadvantage of group decision making?
  - a. Includes more complete information and knowledge
  - b. Includes ambiguous responsibility
  - c. Increases legitimacy
  - d. Includes generation of many alternatives
20. Which is not a characteristic of fuzzy logic?
  - a. Any logical system could be fuzzified.
  - b. In fuzzy logic everything is a matter of degree
  - c. In fuzzy logic inference is viewed as a limitation of elastic constraints
  - d. Fuzzy logic simplifies design complexity

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**SECTION B: SHORT ANSWER QUESTIONS (5X6 = 30 MARKS)**

*Answer any FIVE questions:*

1. State the misconceptions regarding critical thinking.
2. What are the basic requisites of creativity and what are its barriers?
3. Define fuzzy logic as an alternative mode of logic and illustrate it with an example.
4. Which one of the two reasoning's – inductive or deductive looks more attuned to the characteristics of critical thinking? Why?
5. What is creative problem solving process? Explain it with an example.
6. What is programmed decision making? Illustrate it with an example.
7. Explain, in brief, what approach is fuzzy logic based on and what is its use in case of a business planning.

**SECTION C: LONG ANSWER QUESTIONS (2X15 = 30 MARKS)**

*Answer any TWO questions:*

8. Compare and contrast critical and creative thinking with examples relating to real business contexts.
9. Elaborate critical thinking of problem identification and formulation including all steps.
10. Leadership-based decision making style is instrumental in an organization's growth. Considering this, evaluate the decision making style you would apply if you were to lead an organization.

**SECTION D: CASE STUDY (20 MARKS)**

11. *Read a case given below and answer the following questions:*

The initial concept of Amazon.com was to create a virtual bookshop on its website. Bezos believed that this would create a competitive advantage from a number of sources including offering a greater range of titles; greater convenience for customers; 24-hour access; quick and efficient search capability; and a competitive price based on lower transaction costs. One of the key advantages the bookselling industry enjoys is the fact that it is mostly information driven. Information is the raw material with which publishers produce products in the form of books and booksellers depend on data regarding book genres, design, price, print-run and delivery times. Booksellers use the internet for book search services, ordering and payment, after-sales services and for delivery systems. Information is collected through feedback from authors, customers and a host of book reviewers. This ever-expanding bank of information creates a network between all the interested parties in the book buying and selling arena. This is in contrast to the linear relationship that has traditionally characterized interaction between the main players in the book publishing industry. Amazon.com is the leading proponent of utilizing e-commerce applications in the bookselling arena. A key asset is

the ability of the firm to build and enhance relationships across the value chain. Customers, authors, publishers and distributors all contribute to the increasing bank of in-house and market information required to respond to requests from customers. Customers include those who purchase books, publishers who request market information and book resellers who also rely on Amazon.com services.

The former constitutes business-to-consumer (B2C) e-commerce whereas the latter two are business-to-business (B2B) e-commerce. Amazon.com created two groups to specialize in B2B e-commerce: Amazon.com offers services for publishers and Amazon.com Associates deal with book resellers. The value network permits each party to offer different roles depending on the value functionality offered. Thus, crucially, all functionality is vested with Amazon.com.

**Questions:**

- a. What was assumed by Bezos when he launched amazon.com? Could that be regarded as being adequate and wise prediction? Pick up an example from the case to illustrate your point.
- b. What relation is argued between information and book sellers and how has that been signified behind launching of amazon.com?
- c. Describe amazon.com as a leading component in the bookselling industry?
- d. What problem do you think was diagnosed by Bezos that gave him a departure for the amazon.com to incept?

**THE END**



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Semester - I

R.No. ....

Subject: Communication for Managers  
Full Marks: 100 Pass Marks: 50

Course Code: MGT 513  
Time: 4: 00 Hours

**SECTION A: MULTIPLE CHOICE QUESTIONS (1 × 20 = 20 MARKS) (TIME: 20 MINUTES)**

*Tick the best answers.*

1. Which one of the followings is an unacceptable feature in business presentation?
  - a. Having content slide
  - b. Being admissibly dressed
  - c. Using all capital letters on slides
  - d. Italicizing the name of books
2. The email from boss to employees in office is an example of...
  - a. Business meeting
  - b. Internal communication
  - c. External communication
  - d. Informal communication
3. Being weak at the external communication makes the business people to miss...
  - a. Distributive strength
  - b. Extractive strength
  - c. Productive strength
  - d. Regulative strength
4. Which one of the following responses on telephone shows an absence remarking?
  - a. He will be shortly in office
  - b. He is dealing a customer now
  - c. He will shortly be calling you back
  - d. He is not in office now
5. 'Our organization got huge profit last year' can be made more concrete as...
  - a. Our organization got much profit last year
  - b. Our organization got 23 Lakhs profit last year
  - c. Our organization got success last year
  - d. We earned good profit last year
6. Ram lives in Birtangar. He does the job of tour guide. He earns a good salary. These sentences in series commit the flaw of...
  - a. Simple words
  - b. Plain expression
  - c. Short sentences
  - d. Round about structure
7. The commonly known KISS principle in business writing means...
  - a. Keep it slow and steady
  - b. Keep it short and sweet
  - c. Keep in strong and severe
  - d. Kiss the people in jury
8. The ... component of non-verbal communication is related to touch.
  - a. Hap tics
  - b. Kinesics
  - c. Paralanguage
  - d. Genetics
9. The long reports are normally produced...
  - a. For daily business communication
  - b. To collect customers' complaint
  - c. For academic reason
  - d. To promote the sales
10. Typist initials means...
  - a. The person who signs the letter
  - b. The person who types the letter
  - c. The person who carries letter
  - d. The person who reads the letter
11. Which one of the followings is a feature of short report?
  - a. Takes minute coherence
  - b. Bears strict methodological clarity
  - c. Starts with conclusive remarks
  - d. Is developed for purpose of academic submission

12. The word abstract is synonymous to...
- a. Letter of transmittal
  - b. Letter of authentication
  - c. Letter of declaration
  - d. Executive summary
13. The interviewee should ...
- a. Bring the pates
  - b. Bring the friends
  - c. Report late
  - d. Know organization before attending the session
14. Which one of the followings is an element of culture?
- a. Language
  - b. Law
  - c. Religion
  - d. All of the above
15. In cross cultural communication, it is better to ...
- a. Hold no idea about cultural differences
  - b. Belittle their religion
  - c. Ground down nonverbal communication
  - d. Manage translator
16. In case a speaker has scholars' blue funk as reason of fear, which will be the best idea to overcome such nervousness?
- a. Content preparation
  - b. Better visualization
  - c. Reading the presentation
  - d. Escaping the session
17. Which of the following presentation method has less chance, for presenter, of eye contact?
- a. Extempore
  - b. Impromptu
  - c. Reading
  - d. Memorization
18. Which one presentation has less time for preparation?
- a. Extempore
  - b. Impromptu
  - c. Reading
  - d. Memorization
19. Your view point in writing is ...
- a. Meaning receiver
  - b. Demeaning receiver
  - c. Both
  - d. None
20. Etiquette means...
- a. Admissible behavior
  - b. Code of conducts
  - c. Expected manner
  - d. All of above

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**SECTION B: SHORT ANSWER QUESTIONS (5X6 = 30 MARKS)**

Answer any *FIVE* questions:

1. Briefly explain the types of communication.
2. List five most common errors of business communication in written mode and suggest the ways to rectify them.
3. What is non-verbal communication? Mention the major features of non-verbal communication.
4. Describe the briefly on Podcasts and Vlogs. How would they assist in business-purposed communication?
5. How will language stand as barrier to effective communication? Justify.
6. Since life has been a bit normal after long time of Corona Crisis, your office has come to full operation. To further strengthen the hobnobbing and to cheer the moment of coming together again, you love to throw a party to all staff. Before calling a party, it shall be always a rational attempt to presume the tentative cost and decide affordability at your side. Therefore, prepare a sample copy of email requesting the admin manager to calculate tentative cost for it.
7. Write down the significance of report writing. Mention the main components of report.

**SECTION C: LONG ANSWER QUESTIONS (2X15 = 30 MARKS)**

Answer any *TWO* questions:

8. One of the leading colleges in Kathmandu has recently announced position for an IT manager. The selected candidate is likely to manage all the Information Technology systems and its operation along with monitoring cum coordination of fellow team members in the department.

The job becomes more challenging when the college has now decided to go fully-digital by advancing its entire offline mode teaching learning activities in-to an online ways. Thus, their search is someone who is utterly familiar and outstandingly smart on latest technologies for academic purposes too.

Assuming yourself as the potential candidate, prepare a sample copy of resume and application.

9. What are the qualities of better slides to be prepared for PowerPoint presentation, and how to deliver them well?
10. Resuming normal work life after almost two years of pandemic panic is heavily thrilling to all of professionals; however, the fear seems to loom large and persist a bit for long period. Many organizations are still in confusion on how they would cope-up if there starts a third wave and badly serves them alike previous two waves, which nearly plunged many to the complete closure.

Thus many business houses are willing to adopt refined version of 'E-work and Digital Delight'. However, preparing human resources for better E-working is always a challenge. Hence, they are looking for a training course related to 'Esteems of E-working'; and fortunately, your organization too has developed a similar training package expecting to empower professionals for advanced E-working system.

Assuming it, prepare a sample of a brief proposal that you love to forward to all the potential clients/offices. Try to include all major components a proposal needs but explanation in each title can be shortened to make whole proposal possible into 4 or 5 pages.

**SECTION D: CASE STUDY (20 MARKS)**

11. *Read the Case given below and answer the following questions:*

Riveria pharmaceutical is one of leading medicine manufacturing companies in Nepal and has almost 20 percent of market coverage. Normally, pharmaceuticals love to expand their sales from three major promotional practices: directly convincing to pharmacies and drug stores to sell their medicine on set condition of mutually confirmed commission, meeting doctors and requesting them to prescribe the medicines and media-based advertisement.

Among the three, media-based promotion has not been much used and practiced because it may even attract ethical protocols to some extent. However, your company is feeling to bring it in to use for some trail test (in case of a multipurpose medicine for many of common illness in country) without violating the norms set by regulatory bodies. You believe that such a new paradigm shall usher you double doze delight that customers/patients too will have basic awareness for normal medicines as well as can directly buy it from drug centers causing to have surplus of time and fees to be paid to the doctor. The board of company has decided to make a first try of media advertisement through anyone of daily broadsheet print Medias of the nation.

To have such attempt, the company now has six most viable print Medias in note: Gorkhapatra, Kantipur, Naya-Patrika, Nagarik, Annapurna Post, and The Himalayan Times. You, as media coordinator of the company, need to prepare a report by comparing and contrasting all the viable options with recommendation on the most suitable one for taking it to advertise the product.

Prepare a sample copy of report to be presented to your boss.

**THE END**

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R.No. ....

Subject: Financial and Management Accounting  
Full Marks: 100 Pass Marks: 50

Course Code: MGT 514  
Time: 4:00 Hours

**SECTION A: MULTIPLE CHOICE QUESTIONS (1 × 20 = 20 MARKS) / (TIME: 20 MINUTES)**

*Tick the best answers.*

1. Which one of the following activities is not covered in the area of financial accounting?
  - a. recording financial transaction
  - b. preparation of financial statement
  - c. financial projection and budgeting
  - d. preparation of T- Account
2. Which one of the following enjoys limited liability?
  - a. private firm
  - b. company
  - c. partnership
  - d. charitable institution
3. Financial statements are used by:
  - a. customers
  - b. tax authorities
  - c. creditors
  - d. all of the above
4. Which one is not the internal user of financial statement?
  - a. employees
  - b. tax authorities
  - c. management
  - d. shareholders
5. From the following information, calculate the cost of goods sold  
Opening inventory Rs 20,000 purchase Rs 1,00,000 return in Rs 10,000 Return out Rs 20,000 wages Rs 1,00,000 sales Rs 4,00,000 and closing inventory Rs 50,000.
  - a. Rs 2,50,000
  - b. Rs 1,50,000
  - c. Rs 2,40,000
  - d. none of above
6. Which one of these would be accounted as expenses?
  - a. Repayment of bank loan
  - b. purchase of land
  - c. payments of current year interest
  - d. dividend to stockholders
7. Which of the following is an example of qualitative data?
  - a. product cost
  - b. net worth
  - c. customer satisfaction
  - d. Sales amount
8. The payment of dividend is classified as.....activity
  - a. operating
  - b. investing
  - c. financing
  - d. all of the above
9. Which one of the following rules should the accountants followed while preparing financial statement?
  - a. IFRS
  - b. NAS
  - c. NFRS
  - d. all of the above
10. Which one of the followings best describes a fixed cost?
  - a. a cost that is unaffected by level of inflation
  - b. a cost that involve a long-term commitment by the business
  - c. a cost that is unaffected by the level of output
  - d. a cost that is unaffected by time
11. Which one of the following steps in the accounting cycle is not performed at the end of the accounting period?
  - a. Collect and analyze information from source documents
  - b. Prepare a work sheet
  - c. Record and post adjusting entries
  - d. Close the accounts

12. Which one of the followings is the correct description of the break-even point?
- Where total revenue equals total fixed and variable costs
  - Where total revenue equals total variable costs
  - Where total revenue equals total fixed costs
  - Where total revenue equals total contribution
13. The budget prepared considering the different levels of output is.....
- master budget
  - flexible budget
  - planned budget
  - purchased budget
14. The production budget formula is
- Sales + opening stock - closing stock
  - Opening stock + purchase - closing stock
  - sales + closing stock - opening stock
  - none of above
15. Contribution Margin ratio represents
- Profit volume ratio
  - safety margin ratio
  - cost volume ratio
  - profitability ratio
16. If the contribution margin percentage is 40% ,the selling price is Rs.6,000 then the contribution margin per unit will be:
- Rs. 600
  - Rs.1200
  - Rs.1800
  - Rs. 2400
17. Which one of the followings is the classification of cost on the basis of decision making?
- Relevant and irrelevant cost
  - prime cost, factory cost, production and total cost
  - production, office and selling expenses
  - direct materials, direct labor and direct expenses
18. A list of each account and its balance at a specific period in time; used to prove the equality of debits and credits is called
- A final account
  - Journal
  - Ledger
  - Trial balance
19. Payment of utilities effect on accounting equation is;
- Assets + capital +
  - capital - liabilities +
  - assets - capital -
  - assets - liabilities-
20. The formula of stock turnover ratio is
- sales by inventory
  - cost of goods sold by average inventory
  - net sales by closing stock
  - all of above

Mid-West University  
**Examinations Management Office**  
 Surkhet, Nepal  
 Final Examination-2078  
 Master of Business Administration (MBA)  
 Semester - I

Subject: Financial and Management Accounting

Course Code: MGT 514

Full Marks: 100 Pass Marks: 50

Time: 4:00 Hours

You are required to answer in your own words as far as applicable. The figures in the margin indicate full marks.

**SECTION B: SHORT ANSWER QUESTIONS (5X6 = 30 MARKS)**

Answer any FIVE questions:

1. Explain the major differences between financial and management accounting. [6]
2. Write short notes with examples: [2+2+2=6]
  - a. NFRS,
  - b. Money Measurement concept
  - c. Internal and external users of accounting information.

3. On June 1, 2020, Ram and Sita established an Engineering Consultancy Pvt. Limited to provide engineer services. The following transactions were concluded in July.

July: 1 Ram and Sita invested cash in the company's share capital Rs. 3,50,000.

3 Bought office equipment on credit Rs. 90,000.

5 Bought office supplies for Rs. 35,000 on part payment of Rs. 20,000.

7 Took office premises on rent at a monthly rent of Rs. 15,000 payable on the fifth of each month.

10 Billed customers for services provided Rs. 25,000.

17 Paid insurance premium for the next month Rs. 3,000.

19 Received but not paid electricity bill for the month Rs. 1,800.

27 Received cash for services to be provided in the next month Rs. 40,000.

29 Appointed office assistant and Paid salaries Rs. 21,000.

31 Paid a dividend Rs. 10,000.

**Required:** a. Journal entries b. Cash Account

[4 +2=6]

4. a. The summaries of data from the balance sheet, income statement, and retained earnings statement for two corporations, Elder Corporation and Holden Enterprises, are presented below for 2021.

( Amount in Rs.)

	<u>Elder Corporation</u>	<u>Holden Enterprises</u>
<b>Beginning of year</b>		
Total assets	Rs.1,10,000	Rs.1,30,000
Total liabilities	70,000	(d)
Total stockholders' equity	(a)	70,000
<b>End of year</b>		
Total assets	(b)	1,80,000
Total liabilities	1,20,000	55,000
Total stockholders' equity	50,000	(e)
<b>Changes during year in retained earnings</b>		
Dividends	(c)	Rs5,000
Total revenues	Rs 2,15,000	(f)
Total expenses	1,65,000	80,000

**Required:**

Determine the missing amounts. (Assume all changes in stockholders' equity are due to changes in retained earnings.) [0.5x6 =3]

b. Following are the balance sheet items of a manufacturing company.

Inventory.....	Rs.20,000	Prepaid expenses.....	Rs. 10,000
Unearned revenue.....	Rs.5,000	Goodwill.....	Rs. 20,000
Accounts payable.....	Rs.25,000	Accounts receivable.....	Rs.30,000
Cash and bank.....	Rs.40,000	Computers.....	Rs.1,00,000
Bank overdraft.....	Rs.20,000	Sales Revenue.....	Rs 3,00,000
Gross profit.....	40% of sales	Office & administrative expenses....	Rs10,000
Selling expenses.....			Rs 14,000

**Required:** a) Current ratio b) Net profit ratio c) inventory turnover Ratio

[1+1+1 =3]

5. Chitwan Wood Carving Company is in the process of preparing its financial statement for the year ended December 31, 2020. A trial balance of Chitwan Wood Carving Company is follows:

Chitwan Wood Carving Company, for the year ended Dec 31, 2020

Account Titles	Debit (Rs.)	Credit (Rs.)
Sales revenue		4,20,000
Stock at beginning	20,000	
Insurance expenses	5,000	
General & Office expenses	25,000	
Salaries & wages	90,000	
Purchase of Materials	2,15,000	
Materials return form customers	5,000	
Freight expenses on purchase	5,000	
Depreciation expenses	20,000	
Loss on sale of fixed assets	5,500	
Interest expenses	6,000	
Bills receivables	45,000	
Other current assets	50,000	
Common stock		3,12,500
Commission received		9,500
Fixed assets	3,50,000	
Investment	1,80,000	
Cash	35,500	
Rent expenses	60,000	
Bills payables		2,50,000
Note payables		50,000
Others current liabilities		35,000
Accumulated depreciation		40,000
<b>Total</b>	<b>11,17,000</b>	<b>11,17,000</b>

Additional information:

- 40% of the rent expenses were for sales department rent purpose.
- Dividend of Rs. 25,000 were declared and paid during the year.
- Transfer general reserve and surplus of Rs. 18,000.
- Estimated tax expenses of the company for the period at 40% profit.
- The unsold stock of materials fund on December 31, 2020 of Rs. 54,500.
- Beginning balance of retained earnings was Rs. 50,000.



**Required:**

- a. Prepare multi-step income statement with classification of expenses into general & administrative and selling for the year ended on December 31, 2020. [3]
  - b. Prepare statement of retained earnings for the year ended on December 31, 2020. [1]
  - c. Classified Balance Sheet. [2]
6. a. A company produces and sells three products P1,P2 and P3. Selected data on these products show the following:

Products	Sales units	selling price per unit	Variable cost per unit
P1	4,000	Rs.20	Rs.15
P1	8,000	Rs. 20	Rs. 10
P3	12,000	Rs.10	Rs. 4

Total fixed cost Rs. 2,00,000.

**Required:** a) Overall Break-even units.

b) Total sales units for earning Rs. 50,000 profit.

[1.5 x 2 =3]

- b. A manufacturing company is considering to produce a product. It has estimated that each product would cost Rs 7 for material and Rs 5 for labour and selling price Rs 24. The fixed cost for the product would be Rs 1,20,000.

**Required:**

- a. Sales units to earn Rs 4 Profit per unit.
  - b. If the company desires after tax net profit from the product of Rs 40,000 with tax rate of 40%, how many units must be sold?
  - c. BEP in Rs assuming variable costs increases by Rs 4 per units
7. Management takes interest to analyse the financial statement. Give any three reasons. [3+3=6]

**SECTION C: LONG ANSWER QUESTIONS (2X15 = 30 MARKS)**

Answer any TWO questions:

8. Financial Accounting is fully guided by Generally Accepted accounting Principles. Explain the accounting principles with suitable examples. [3+12=15]

9. The Balance Sheets of a Company as on Ashadh 31, are as follows:

Liabilities And Equity	2077	2078	Assets	2077	2078
Share capital	8,00,000	9,00,000	Plant & machinery	8,00,000	10,40,000
Share Premium	75,000	90,000	Investment	1,00,000	60,000
Retained earnings	1,00,000	2,10,000	Inventories	80,000	1,50,000
8% Debenture	1,00,000	75,000	Debtors	2,00,000	1,50,000
Creditors	2,00,000	1,75,000	Prepaid expenses	10,000	25,000
Outstanding expenses	15,000	50,000	Cash & bank	1,00,000	75,000
<b>Total</b>	<b>12,90,000</b>	<b>15,00,000</b>	<b>Total</b>	<b>12,90,000</b>	<b>15,00,000</b>

**Additional information**

- Sales for the year 2078 was Rs.11,60,000
- Cost of goods sold was Rs.6,00,000
- Administrative expenses were Rs.1,50,000(Excluding depreciation Rs 50,000and including interest on debenture Rs 10,000)
- Selling & distribution expenses were Rs.30,000
- Investment costing of Rs.40,000 was sold at a profit of Rs.10,000

- Purchased plant & machinery of Rs.4,00,000
- Dividend distributed was Rs.1,20,000

**Required:** a) Cash flow Statement

[12]

b) Explain the result i.e. cash from operating, investing and financing activities.

[3]

10. A company produces a single product. The sales forecasts of the product for different months are as follows:

Months	Baisakh	Jestha	Ashad	Shrawan	Bhadra
Sales units	2,000	3,000	3,000	2,000	4,000

It is planned that closing stock at the end of each month should be maintained at a level equal to half the expected sales for the next month, and raw material stock should be also equal to half of the expected consumption for the next month. Each unit of product requires 2 units of raw materials, which costs Rs. 5 each. Estimated beginning inventories for the month Baisakh are as follows:

Finished goods.....	1,000 units
Raw material.....	2,500 units

The other information is as follows:

The selling price per unit is Rs. 20.50% of sales are in cash and remaining on credit out of the credit sales, 60% is collected in the month of sale and remaining in the following month. The gross sale of Chaitra last year was of Rs. 50,000. 80% of purchases are for cash and remaining are paid next month. The purchases for Chaitra were Rs. 30,000. The wages and other manufacturing costs are Rs. 8 per unit and that are paid for at the time when they are due. The ending balance of cash on last Chaitra was Rs. 25,000. A sum of Rs. 8,000 will be received in Baisakh as proceeds on sale of old furniture. The administrative and selling costs are Rs. 10,000 for Baisakh and Rs. 15,000 each for Jestha and Ashad. These are paid in the following month. The outstanding administrative and selling costs for last Chaitra were also of as. 10,000.

**Required:**

- Production Budget for 1<sup>st</sup> three month.
- Material consumption budget for 1<sup>st</sup> three month.
- Material purchase budget for 1<sup>st</sup> three months.
- Cash Budget for 1<sup>st</sup> three month.

[3+3+3+6=15]

#### SECTION D: CASE STUDY (20 MARKS)

11. Read the Case given below and answer the following questions:

Hamro Sanitizer Company provides the following 3 years information to you:

Particulars	2076	2077	2078
Production in litre	40,000	40,000	80,000
Sales	Rs 40,00,000	Rs 70,00,000	Rs 1,00,00,000
Share Capital	Rs10,00,000	Rs10,00,000	Rs 10,00,000
10% Bank Loan	nil	Rs10,00,000	Rs 40,00,000
Current Ratio	2:1	1.5:1	1:1
Net profit or(Loss)	Rs (80,000)	Rs3,40,000	Rs 20,00,000
Stock Turnover ratio	5 times	4 times	6 times
Cash From operation	Rs 40,000	2,00,000	5,00,000
Fixed Assets	Rs 1,00,000	Rs 12,00,000	Rs 30,00,000
No of staff	12	50	45
EPS	negative	Rs 34	Rs165

- a. Explain the overall financial position of this company. [4]
- b. The company wants to expand its capital Rs 30,00,000 in 2079. It can collect through: 100% common stock, OR 50% common stock and rest 50% from 10% bank loan OR 100% from 10% bank loan. Which plan is suitable and why? Give your logic. [4]
- c. What kind of opportunities and challenges can be faced in future? [3]
- d. As an MBA student, give suggestion to its owner about the future risk. [3]
- e. To capture the market share of Sanitizer market in Nepal, What strategies are suitable and why? [3]
- f. If you were the owner of this company what strategies would you adopt to ensure profit and minimize risk? [3]

**THE END**

Mid-West University  
**Examinations Management Office**  
Surkhet, Nepal  
Final Examination-2078  
Master of Business Administration (MBA)  
Semester - I

Subject: Research Methodology  
Full Marks: 100 Pass Marks: 50

R.No. ....  
Course Code: MGT 515  
Time: 4:00 Hours

**SECTION A: MULTIPLE CHOICE QUESTIONS (1 × 20 = 20 MARKS) / (TIME: 20 MINUTES)**

Tick the *best* answers.

1. If a study is "reliable", this means that:
  - a. it was conducted by a reputable researcher who can be trusted.
  - b. the measures devised for concepts are stable on different occasions.
  - c. the findings can be generalized to other social settings.
  - d. the methods are stated clearly enough for the research to be replicated.
2. The split-half method is used as a test of:
  - a. Stability
  - b. Internal reliability
  - c. Inter-observer consistency
  - d. External validity
3. Which one of the followings is not a form of measurement validity?
  - a. Concurrent validity
  - b. Face validity
  - c. Conductive validity
  - d. Convergent validity
4. The issue of validity refers to:
  - a. The degree to which the researcher can validly undertake the research.
  - b. The degree to which the research measures what it purports to measure.
  - c. The degree to which the research supervisor is a valid supervisor.
  - d. The degree to which the researcher is a valid researcher.
5. The writing of the research project is:
  - a. a simple task.
  - b. a monumental undertaking.
  - c. routine and unimportant.
  - d. the most important and the most critical aspect of the research project.
6. The research process is:
  - a. A scientific endeavour.
  - b. A creative endeavour.
  - c. An endeavour that is neither creative nor scientific.
  - d. An endeavour that is both creative and scientific.
7. A lot of time is needed always for the final:
  - a. Discussion of the research with the research supervisor.
  - b. Editing and polishing of the final draft of the thesis/report of the research.
  - c. Discussion of the research with fellow researchers.
  - d. Discussion of the research with the examiners of the research.
8. Many of the data collection methods used in qualitative research produce data that is:
  - a. Language based.
  - b. Relevant only to the institution within which the research was carried out.
  - c. Based on mathematical principles.
  - d. Accessible only to senior academics.
9. In qualitative data analysis there are:
  - a. Two different approaches to the analysis of data.
  - b. Different approaches to the analysis of data, based on the needs and design of the study.
  - c. Three different approaches to the analysis of data.
  - d. No formal approaches to the analysis of data.

10. The researcher uses the coding key to:
  - a. Understand the theory.
  - b. Understand the data.
  - c. Understand the research methodology.
  - d. Understand the data gathering methods.
11. Statistics are used in quantitative data analysis for two purposes:
  - a. Addition and subtraction.
  - b. Description and prediction.
  - c. Multiplication and division.
  - d. The calculation of means and modes.
12. Data management is:
  - a. A fundamental responsibility of the research supervisor.
  - b. A fundamental responsibility of research participants.
  - c. A fundamental responsibility of the researcher.
  - d. A fundamental responsibility of the organization where the research is carried out.
13. Data analysis software packages are particularly helpful:
  - a. In sourcing literature.
  - b. In managing data and data analysis.
  - c. The work of outlining the aim and objectives of the study.
  - d. When making decisions about data gathering methods.
14. Questionnaires are used primarily to gather:
  - a. Quantitative data.
  - b. Qualitative data.
  - c. Quantitative and qualitative data.
  - d. Secondary data.
15. When you begin to design your data gathering method you look:
  - a. To your research supervisor for help.
  - b. To your friends and classmates for help.
  - c. At what everyone else in the class is doing and then, based on what they're doing, you design your data gathering method(s).
  - d. At your research statement/question and then you decide what it is that you are trying to accomplish with the research and what it is that you really need in terms of data.
16. The basic rule of probability sampling is:
  - a. That each member of the population has an equal probability of being selected for inclusion in the universe.
  - b. That each member of the population has an equal probability of being selected for inclusion in the pyramid.
  - c. That each member of the population has an equal probability of being selected for inclusion in the galaxy.
  - d. That each member of the population has an equal probability of being selected for inclusion in the sample.
17. The methodological framework for the research project contains:
  - a. The key concepts in the research project.
  - b. The literature review.
  - c. All of the data analysis.
  - d. All of the detail on how the research was carried out.
18. Business research is:
  - a. About statistical analysis.
  - b. About investigating some aspect of the business world.
  - c. Done by business.
  - d. Always complex and difficult to understand.
19. The theoretical framework is:
  - a. The framework that succinctly presents all of the key concepts in the research project.
  - b. The framework the researcher builds from the literature (theory) s/he reviews for the research project.
  - c. The search for literature that the researcher carries out.
  - d. Another name for the analytical framework.
20. Every research project should make a contribution:
  - a. To the researcher's development.
  - b. Financially
  - c. To knowledge.
  - d. In terms of methodology.

Mid-West University  
Examinations Management Office  
Surkhet, Nepal  
Final Examination-2078  
Master of Business Administration (MBA)  
Semester - I

Subject: Research Methodology  
Full Marks: 100 Pass Marks: 50

Course Code: MGT 515  
Time: 4:00 Hours

You are required to answer in your own words as far as applicable. The figures in the margin indicate full marks.

**SECTION B: SHORT ANSWER QUESTIONS (5X6 = 30 MARKS)**

Answer any FIVE questions:

1. "Research is much concerned with proper fact finding, analysis and evaluation." Do you agree to this statement? Give reasons in support of your answer. [6]
2. Give your understanding of a good research design. Why is single research design not considered as suitable in all research studies? Explain. [2+4]
3. Under what circumstances stratified random sampling design is considered appropriate? How would you select such sample? Explain with an example. [2+1+3]
4. What are the (any six) guiding considerations in the construction of questionnaire? Explain. [6]
5. What points will you keep in mind while preparing a research report? Explain. [6]
6. Do you think ethical issues are important issue for a researcher while conducting the research? Explain why or why not. [3+3]
7. In what situation would focus group discussion would be the best method for data collection for a research project? Explain. [6]

**SECTION C: LONG ANSWER QUESTIONS (2X15 = 30 MARKS)**

Answer any TWO questions:

8. What is the meaning of measurement in research? What difference does it make whether we measure in terms of a nominal, ordinal, interval or ratio scale? Explain with appropriate examples. [3+12]
9. What is scientific research? Explain the steps of scientific research in details. [3+12]
10. How will you differentiate between descriptive statistics and inferential statistics? Describe the important statistical measures often used to summarize the survey/research data. [4+11]

**SECTION D: CASE STUDY (20 MARKS)**

11. Read the Case given below and answer the following questions:

Mahesh, a final year part-time MBA student. He is currently working as a research assistant in a large Nepalese market research company.

One fine morning, while reading a local newspaper, come to know that Nepal has the highest rate of economically inactive women in the Asian countries. 'Inactivity' is a term that refers to all persons who are not classified as employed or unemployed. This category includes students, retired persons, home makers, and ill or permanently disabled persons.

He wants to know more about the issue and start investigating further. He discovered that inactive women in Nepal account for 51.2 per cent of the population of females in the working age group (16 to 64 years), while the female homemakers group represents the single largest dominant group (76.6 per cent) among the inactive population in Nepal.

Mahesh was curious about these statistics and decided to conduct a study with Nepalese inactive female homemakers for his research project. More specifically, he wanted to understand what

motivated and what hindered them in seeking paid employment so as to determine which types of policies could facilitate their entry or re-entry into the labor market.

**Questions:**

- a. In this context, how does Mahesh develop the objectives and theoretical framework of his research? [5]
- b. What hypothesis should Mahesh formulate under the framework and the stated objectives? [5]
- c. What sampling should design be appropriate for this study? And what should be the sample size? [2+3]
- d. Suggest the most appropriate ways to collect and analyze the data for the study. [5]

**THE END**

Mid-West University  
Examinations Management Office  
Surkhet, Nepal  
Final Examination-2078  
Master of Business Administration (MBA)  
Semester - I

R.No.....

Subject: Quantitative Approach to Management  
Full Marks: 100 Pass Marks: 50

Course Code: MGT 515/MGT 516  
Time: 4: 00 Hours

**SECTION A: MULTIPLE CHOICE QUESTIONS (1 × 20 = 20 MARKS) (TIME: 20 MINUTES)**

Tick the *best* answers.

1. If A and B are not two mutually exclusive events, then  $P(A \cup B)$  can be written as:
  - a.  $P(A \cup B) = P(A) + P(B)$
  - b.  $P(A \cup B) = P(A)$
  - c.  $P(A \cup B) = P(B)$
  - d.  $P(A \cup B) = P(A) + P(B) - P(A \cap B)$
2. If A and B are two dependent events, then  $P(AB)$  can be written as:
  - a.  $P(AB) = P(A/B) \cdot P(B)$
  - b.  $P(AB) = P(A/B) \cdot P(A)$
  - c.  $P(AB) = P(A) \cdot P(B)$
  - d. None of the above
3. The value for  $E(3x+4)$  is: (Given,  $E(x) = 1$ )
  - a. 7
  - b. 81
  - c. 27
  - d. 0
4. The properties of Binomial Distribution:
  - a. The two events are mutually exclusive in nature.
  - b. The probability of our concern is denoted by 'p' and the probability of not of our concern is denoted by 'q' such that  $p+q=1$ .
  - c. The two events are independent in nature.
  - d. All of the above.
5. Variance of the poisson distribution:
  - a.  $\lambda$
  - b.  $np$
  - c.  $\alpha$
  - d. none of the above
6. The parameter for normal distribution:
  - a.  $\sigma^2$  only
  - b.  $\mu$  and  $\sigma^2$
  - c.  $\mu$  only
  - d. None of the above.
7. If the values of population proportion of our interest P, z value and Error are 0.3, 3 and 0.1 respectively then the value of sample size (n) is:
  - a. 543
  - b. 189
  - c. 250
  - d. None
8. What happens to the confidence limit as the confidence level is increased:
  - a. Increases
  - b. Decreases
  - c. Both a) and b)
  - d. None of the above
9. In any case if population standard deviation ( $\sigma$ ) is given then the test followed is:
  - a. t-test (student's t-test)
  - b. z-test
  - c. F-test
  - d. None of the above
10. The concept of P-value approach is?
  - a.  $p\text{-value} < \alpha$ , reject  $H_0$  i.e accept  $H_1$
  - b.  $p\text{-value} > \alpha$ , accept  $H_0$
  - c. both of the above
  - d. None



11. If  $P=0.47$  and  $n=600$  then standard error is:
- a. 0.1062
  - b. 0.0204
  - c. 0.0053
  - d. 1
12. "Accepting null hypothesis when it is false" is:
- a. Type I error
  - b. Type II error
  - c. Both of the above
  - d. None of the above
13. Among the entire tests mentioned below, non-parametric test is:
- a. Students t- test
  - b. Z-test
  - c. F-test
  - d. None of the above
14. The degree of freedom for F-test when  $k=5$  and  $n=15$  is:
- a. (2,9)
  - b. (4,10)
  - c. 5
  - d. (4,6)
15. Expected frequency in Chi-square test when  $RT=25$ ,  $CT=17$  and  $N=62$  is:
- a. 2.65
  - b. 0
  - c. 8.54
  - d. 6.85
16. If the value of correlation coefficient ( $r$ ) is 0.625, the degree of relationship is:
- a. Perfect
  - b. Significant
  - c. High
  - d. Insignificant
17. If  $r_{12}=0.98$ ,  $r_{13}=0.44$  and  $r_{23}=0.54$  then the value multiple correlation coefficients treating first variable as dependent and other two variables as independent variables are:
- a. 0.742
  - b. 0.568
  - c. 0.832
  - d. None of the above
18. Inactive constraints are that constraint that does not passes through:
- a. Special solution
  - b. Optimal value
  - c. Optimal solution
  - d. All of the above
19. Slack can be calculated from:
- a. Active constraints
  - b. Inactive constraints
  - c. It depends on condition.
  - d. None of the above
20. In linear programming model, in case of minimization, the shaded or feasible region can be termed as:
- a. Unbounded region
  - b. Bounded region
  - c. Both of the above
  - d. None of the above

Mid-West University  
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Final Examination-2078  
Master of Business Administration (MBA)  
Semester - I

Subject: Quantitative Approach to Management

Course Code: MGT 515/MGT 516

Full Marks: 100 Pass Marks : 50

Time: 4: 00 Hours

*You are required to answer in your own words as far as applicable. The figures in the margin indicate full marks.*

**SECTION B: SHORT ANSWER QUESTIONS (5X6 = 30 MARKS)**

*Answer any FIVE questions:*

1. A company has two plants to manufacture motorbikes. Plant I manufactures 60% of the bikes and plant II manufactures 40%. At plant I, 85 out of 100 bikes are rated standard quality. At plant II, only 65 out of 100 bikes are rated standard quality.
  - i. What is the probability that bikes selected at random came from plant I if it is known that bike is of standard quality?
  - ii. What is the probability that bikes selected at random came from plant II if it is known that bike is of standard quality?
2. A survey conducted in 2011 found about 40% of the Nepalese workers has gone abroad are illegal. If in a sample of 7 Nepalese workers who had gone abroad, what is the probability of illegal goers.
  - i. Exactly 5 are illegal.
  - ii. At least 2 are illegal
3. An actuary from the Nepal Life insurance company has determined that 0.0001 of the elderly population incurs a rare disease each year. A random sample of 10,000 Medicare patient records is to be evaluated, what is the probability that
  - i) None of these medicare patients will have incurred the rare disease.
  - ii) At most two of the medicare patients will have incurred the rare disease.
4. 200 oranges are taken from a large consignment and 50 are found to be bad. Estimate the percentage of the bad oranges and assign 80 % confidence within which the percentage lies.
5. The statistical abstract of the United States published by the US census bureau reports that the average annual consumption of fresh fruit per person is 99.9 pounds. The standard deviation of fresh fruit consumption is about 30 pounds. Suppose a researcher is tool is a random sample of 38 people and a record of the fresh fruit is kept they ate for one year. What is the probability that
  - i) Sample average would be less than 90 pounds?
  - ii) Sample average would be more than 110 pounds?
6. In an experiment to study the dependence of hypertension on smoking habits, the following data were taken on 180 individuals:

	Non smokers	Moderate smokers	Heavy smokers
Hypertension	21	36	30
No hypertension	48	26	19

Test the hypothesis that the presence or absence of hypertension is independent of smoking habits. Use 5% level of significance.

7. A person requires 10, 12, and 12 units chemicals A, B and C respectively for his garden. A liquid product contains 5, 2 and 1 units of A, B and C respectively per jar. A dry product contains 1, 2 and 4 units of A, B and C per carton. If the liquid product sells for Rs.3 per jar and the dry product sells for Rs.2 per carton. How many of each should be purchased, in order to minimize the cost and meet the requirements?

**SECTION C: LONG ANSWER QUESTIONS (2X15 = 30 MARKS)**

Answer any **TWO** questions:

8. The amount of sales before and after the campaign on 10 retailer are given below:

retailer	A	B	C	D	E	F	G	H	I	J
before	13	15	17	14	28	20	30	15	18	24
after	18	14	19	17	29	18	28	20	21	23

- Explain the concept of paired-t-test.
  - Is the advertisement effective at 5% level of significance?
  - What would happen to the confidence limit when sample size increases?
9. Detergent manufacturer advertises that its product that it will remove all stains except oil-base paint in any kind of water. A consumer information service reporting on detergent quality is testing this claim. The batches of washing were run in three randomly chosen homes having a particular type of water-hard, moderate, or soft. Each batch contained an assortment rags and cloth scarps stained with foods product greases, and dirt over a 100 square-inch area. After washing, the number of square inches that were still stained was determined, and the following results were obtained:

Observation	Level of Water Hardness		
	Hard	Moderate	Soft
1	12	10	8
2	9	9	10
3	12	8	11

At the 5% level of significance, will the consumer service conclude that the type of water affects the effectiveness of the detergent?

10. Two products are manufactured on each of three machines. A pound of each product requires a specified number of hours on each machine, as presented as follows:

Machines	Machine-Hour Requirement	
	Product X	Product Y
1	3	2
2	1	4
3	5	3

Total hours available on machine 1, 2 and 3 are 10, 16 and 12 respectively. The profit contributions per pound of products X and Y are Rs 4 and Rs 3 respectively.

- Formulate and solve this problem as profit maximization linear program.
- Which constraints are active and which are inactive?
- What are the slack and surplus associated with the constraints?
- Obtain the dual problem of the above maximization problem

**SECTION D: CASE STUDY (20 MARKS)**

11. Read the *Case* given below and answer the following questions:

Everest Apparel is a chain of clothing stores that caters to high school and college students. It publishes a quarterly catalog and operates a Web site that features provocatively attired males and females. The web site is very expensive to maintain, and company executives are not sure whether the number of hits at the site relate to sales (i.e., people may be looking at the site's picture only). The Web master has accumulated the following data for hits per month and orders placed at the Web site for the last 13 months.

Month	Hits (1,000s) (X)	Orders (1,000s) (Y)
1	34.2	7.6
2	28.5	6.3
3	36.7	8.9
4	42.3	5.7
5	25.5	5.9
6	52.3	6.3
7	35.2	7.2
8	27.9	4.1
9	31.4	3.7
10	29.4	5.9
11	46.7	10.8
12	43.5	8.7
13	52.6	9.3

The different summation values are

$$\sum X = 486.2 \quad \sum Y = 90.0 \quad \sum XY = 3516.61 \quad \sum X^2 = 19211.28 \quad \text{and} \quad \sum Y^2 = 679.62$$

- Plot the graph to explain the relationship between two variables hits and orders.
- Develop a linear regression model for these data and interpret the meaning of y-intercept and slope.
- Compute coefficient of determination and correlation coefficient & interpret their meanings.
- Compute standard error of estimate and interpret its meaning.
- Write the hypothesis model and test the significance of regression coefficient at 5% level of significance.

**THE END**