

Scanned

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

R.No.....

Subject: Strategic Management  
Full Marks: 100 Pass Marks: 50

Course Code: MGT 531  
Time: 4:00 Hours

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

Tick the best answers.

1. Which of the following is NOT a major element of the strategic management process?
  - a. Formulating strategy
  - b. Implementing strategy
  - c. Evaluating strategy
  - d. Assigning administrative tasks
2. What is meant by the term 'Stakeholder'?
  - a. A person who is not related with a business
  - b. A person who is related with a business
  - c. A person who owns a business
  - d. A person who purchases the shares of a business
3. The various organizational routines and processes that determine how efficiently and effectively the organization transforms its inputs into outputs are called:
  - a. Strengths
  - b. Core competencies
  - c. Capabilities
  - d. Customer value
4. When defining strategic management, the most important thing to remember is that it is:
  - a. Not as easy as you think
  - b. Mainly the province of senior managers
  - c. A living evolving process
  - d. More conceptual than practical
5. An organization's strategy:
  - a. Remains set in place longer than the mission and objectives
  - b. Generally, forms over a period of time as events unfold
  - c. Tends to be formed at the same time the mission is developed and objectives are formulated
  - d. Is usually conceived at a single time when managers sit down and work out a comprehensive strategic plan for the next 3-5 years
6. The primary focus of strategic management is:
  - a. Strategic analysis
  - b. The total organization
  - c. Strategy formulation
  - d. Strategy implementation
7. Which of the following defines what business or businesses the firm is in or should be in?
  - a. Business strategy
  - b. Corporate strategy
  - c. Functional strategy
  - d. National strategy
8. Which one of the following is at the core of strategic management?
  - a. Choosing which organizational objectives to focus on
  - b. Being alert for opportunities to change work responsibilities
  - c. Adapting the organization to a changing external environment
  - d. Choosing whether to make decisions autocratically or on the basis of participation
9. The corporate level is where top management directs:
  - a. All employees for orientation
  - b. Its efforts to stabilize recruitment needs
  - c. Overall strategy for the entire organization

- d. Overall sales projections
10. Which one of the following is NOT in the Porter's Five Forces model:
    - a. Potential development of substitute products
    - b. Bargaining power of suppliers
    - c. Rivalry among stockholders
    - d. Rivalry among competing firms
  11. The environmental segments that comprise the general environment typically will NOT include
    - a. demographic factors.
    - b. socio cultural factors.
    - c. substitute products or services.
    - d. technological factors.
  12. Product differentiation refers to the:
    - a. ability of the buyers of a product to negotiate a lower price.
    - b. response of incumbent firms to new entrants.
    - c. belief by customers that a product is unique.
    - d. fact that as more of a product is produced the cheaper it becomes per unit.
  13. Which of the following is NOT an entry barrier to an industry?
    - a. expected competitor retaliation
    - b. economies of scale
    - c. customer product loyalty
    - d. bargaining power of suppliers.
  14. New entrants to an industry are more likely when (i.e., entry barriers are low when...)
    - a. it is difficult to gain access to distribution channels.
    - b. economies of scale in the industry are high.
    - c. product differentiation in the industry is low.
    - d. capital requirements in the industry are high.
  15. Suppliers are powerful when:
    - a. satisfactory substitutes are available.
    - b. they sell a commodity product.
    - c. they offer a credible threat of forward integration.
    - d. they are in a highly fragmented industry.
  16. The highest amount a firm can charge for its products is most directly affected by
    - a. expected retaliation from competitors.
    - b. the cost of substitute products.
    - c. variable costs of production.
    - d. customers' high switching costs.
  17. According to the five factors model, an attractive industry would have all of the following characteristics EXCEPT:
    - a. low barriers to entry.
    - b. suppliers with low bargaining power.
    - c. a moderate degree of rivalry among competitors.
    - d. few good product substitutes.
  18. Internal analysis enables a firm to determine what the firm
    - a. can do.
    - b. should do.
    - c. will do.
    - d. might do.
  19. An external analysis enables a firm to determine what the firm
    - a. can do.
    - b. should do.
    - c. will do.
    - d. might do.
  20. Which group would be classified as a stakeholder?
    - a. Communities
    - b. Banks
    - c. Suppliers
    - d. All of these

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

Subject: Strategic Management  
Full Marks: 100 Pass Marks: 50

Course Code: MGT 531  
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. Critically evaluate the effectiveness of SWOT analysis as a strategic tool.
2. Discuss the importance of analyzing the Socio-Cultural and Economic factors of an organization?
3. Differentiate between forward integration and backward integration strategy.
4. Describe the role of CEO in strategic management, with suitable example.
5. Explain the primary and secondary activities of the Value Chain Analysis Model.
6. Discuss, why organizations are mostly uses their resources in external environment rather than internal environment?
7. Differentiate between market penetrations, market development strategies.

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

Answer any **TWO** questions:

8. Illustrate and discuss Michael Porter's FIVE forces industry analysis model.
9. Critically discuss the strategic role of people, profit and planet framework of corporate social responsibility.
10. Explain the difference between business level, corporate level and functional strategies.

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

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

Everyone loves Mickey Mouse and Donald Duck. Walt Disney's two largest segments are Media Networks and Parks and Recreation. Media Networks consists of ABC, ESPN, Disney films, newly acquired Lucas film, and 35 radio stations, among others. Parks and Recreation includes the Walt Disney theme parks in the United States, France, China, and Hong Kong, and the more recent Disney cruise line. Disney operates three other divisions: Studio Entertainment, Consumer Products, and Interactive Media. Walt Disney's actual vision statement is "To make people happy." However, an improved, author-proposed vision statement for Disney is "To offer the best family entertainment in the world through theme parks, cruises, movies, and radio and television coverage of news and sporting events globally."

Walt Disney's actual mission statement is "To be one of the world's leading producers and providers of entertainment and information. Using our portfolio of brands to differentiate our content, services and consumer products, we seek to develop the most creative, innovative and profitable entertainment experiences and related products in the world."

However, an improved, author proposed Disney mission statement is as follows:

We are on a mission every day to serve customers young and old with outstanding family entertainment. By offering popular theme parks and Disney TV programming to our newly acquired ABC, ESPN, and cruise lines, we provide well-diversified family entertainment worldwide. We use many Disney characters such as Mickey Mouse and Donald Duck to excite customers globally. We produce apps for smart phones in the Interactive Media division. We give back generously to our communities and offer many internships for deserving college students. Everything we do at Disney is possible because of our great employees and fans worldwide.

**Questions:**

- a. In what three ways is the proposed vision statement better than Disney's actual vision statement?
- b. In what three ways is the proposed mission statement better than Disney's actual mission statement?

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

R.No .....

Subject: Production and Operation Management  
Full Marks: 100 Pass Marks: 50

Course Code: MGT 532  
Time: 4: 00 Hours

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

*Tick the best answers.*

1. Which of the following functional areas are parts of a business organization?
  - a. Accounting
  - b. Marketing
  - c. Operations
  - d. All of the above
2. Which of the following is not part of a Simple Product Supply Chain?
  - a. Direct Suppliers
  - b. Final Customers
  - c. Management
  - d. Producer
3. Measurements taken at various points in the transformation process for control purposes are called:
  - a. Feedback
  - b. Control charts
  - c. Tracking
  - d. Cost control
4. Which is not an example of an external factor:
  - a. Political conditions
  - b. Technology
  - c. Competition
  - d. Operations
5. In which of following coordinating internal and external operations apply?
  - a. Inventory management
  - b. Flexibility
  - c. Supply chain management
  - d. Location
6. Using the data below, find the multi-factor productivity for the combine input of labor and machine time.  
Output: Rs. 10,000  
Input  
Labor Rs. 2000  
Material: Rs. 720  
Overhead: Rs. 3000
  - a. 2.13
  - b. 1.75
  - c. 1.36
  - d. 3.12
7. What is the purpose of a value analysis?
  - a. To cut down on production time
  - b. To reduce cost and/or improve product performance
  - c. To analyze the potential profitability of the product
  - d. To ensure customer satisfaction and profits
8. The assessment of the environmental impact of a product or service throughout its useful life is known as:
  - a. Product liability
  - b. Uniform commercial code
  - c. Life cycle assessment
  - d. Value analysis
9. Reasons for strategic capacity planning include all of the following except:
  - a. Changes in the environment
  - b. Changes in technology
  - c. Changes in demand
  - d. Strengths and weaknesses

10. The maximum time allowed at each workstation to complete its set of tasks on a unit is referred to as:
- Cycle time
  - Reciprocal time
  - Line balancing
  - Task time
11. Which type of process is sometimes referred as an assembly?
- Repetitive
  - Job shop
  - Continuous
  - Project
12. Whose key contribution included the cause-and-effect diagram?
- Joseph M. Juran
  - Kaoru Ishikawa
  - Armand Feigenbaum
  - Walter Shewhart
13. Productivity is closely related to:
- Liability
  - Costs
  - Quality
  - Express written warranties
14. The consequences of poor quality products or services may result in:
- Less Liability
  - Baldrige
  - Injuries and defective output
  - Lower costs
15. Managers use statistical process control:
- To evaluate the inputs of a process.
  - To evaluate the output of a process.
  - To evaluates the quality of a process.
  - To evaluate the significance of a process.
16. A supplier agrees to hold inventory for a customer in exchange for the customer agreeing to long-term commitment. This is an example of:
- Strategic partnering
  - Customer aid development (CAD)
  - Strategic planning
  - Partner relationship modeling
17. What are the three types of aggregate planning?
- Long-range plans, intermediate plans, and short-range plans
  - Long term demand, short term demand, economies of scale
  - Minimization curves, inflections points in cost schedules, profit maximization
  - Pricing models, statistical evaluation, tax shelters
18. All of the followings are tools used in project management expect:
- Network diagram
  - Gantt charts
  - Control charts
  - Risk management
19. MPR is designed to answer all of the questions except:
- How much is needed?
  - What is the time constraint?
  - When is it needed?
  - What is needed?
20. Managers should crash projects:
- By grouping related activities
  - One period at a time
  - By choosing the most important activity on the path
  - By choosing the most expensive activity on the path

UNIVERSITY OF WESTERN AUSTRALIA  
**Examinations Management Office**  
 Surkhet, Nepal  
 Final Examination-2078  
 Master of Business Administration (MBA)  
 Semester - III

Subject: Production and Operation Management  
 Full Marks: 100 Pass Marks: 50

Course Code: MGT 532  
 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:

- Why are an organization's operations crucial to its strategic success? Explain with suitable examples.
- Auto pistons [155 mm] are produced in a forging process, and the diameter is a critical factor that must be controlled. From sample sizes of 10 pistons produced each day, the mean and the range of this diameter have been as follows:

Day	Mean	Range
1	156.9	4.2
2	153.2	4.6
3	153.6	4.1
4	155.5	5.0
5	156.6	4.5

Construct the 3-sigma mean chart and range chart for this dimension using the sample data above.

- A manufacturing company has to fulfill the order of 50 units of finished product A in 10 days. The product structure tree reveals that for the assembly of each unit of A, company requires 4 units of B and 2 units of C for subassembly. Each unit of B requires 2 units of D and 3 units of E for subassembly. Each unit of C requires 3 units of D and 4 units of F. Draw product structure tree diagram and also compute the net requirement for B, C, D, E and F to produce 50 units of product A.
- Construct a cause-and-effect-diagram to reflect "student dissatisfied with university registration process". Use the 'Four Ms' or create your own organizing scheme. Include at least 12 causes.
- Describe the strategic significance of location decision. How can organizations gain a competitive edge with an appropriate location selection?
- What is the purpose of inventory management in an organization? Explain the concept of dependent and independent demand with examples.
- A firm must produce 40 units/day during an 8-hour workday. Tasks, times, and predecessor activities are given below.

Task	Time (Minutes)	Predecessor(s)
A	2	-
B	2	A
C	8	-
D	6	C
E	3	B
F	10	D, E
G	4	F
H	3	G
<b>Total</b>	<b>38 minutes</b>	

Determine the cycle time and the appropriate number of workstations to produce the 40 units per day.

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

Answer any *TWO* questions:

8. Discuss the competitive priorities relevant to an organization's success in market place. With appropriate examples, discuss recent trends in production and operations management.
9. Given the following:

Activity	Preceding activity	Time in days
A	-	4
B	A	7
C	A	4
D	C	2
E	BC	3
F	DE	1
G	E	6
H	G	5
I	F	3
J	HI	6
K	J	2

- a. Draw the CPM diagram.
  - b. Find out the critical activities.
  - c. Construct the slack table.
10. What is Total Quality Management? Discuss the dimensions of quality and also give the concept of cost of quality.

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

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

**Operations objectives at the Penang Mutiara**

There are many luxurious hotels in the South-East Asia region but few can compare with the Penang Mutiara, a 440-room top-of-the-market hotel which nestles in the lush greenery of Malaysia's Indian Ocean Coast. Owned by Pemas-OUE of Malaysia and managed by Singapore Mandarin International Hotels, the hotel's General Manager is under no illusions about the importance of running an effective operation. 'Managing a hotel of this size is an immensely complicated task', he says. 'Our customers have every right to be demanding. They expect first-class service and that's what we have to give them. If we have any problems with managing this operation, the customer sees them immediately and that's the biggest incentive for us to take operations performance seriously. Our quality of service just has to be impeccable. This means dealing with the basics. For example, our staff must be courteous at all times and yet also friendly towards our guests. And of course they must have the knowledge to be able to answer guests' questions. The building and equipment – in fact all the hardware of the operation – must support the luxury atmosphere which we have created in the hotel.

Stylish design and top-class materials not only create the right impression but, if we choose them carefully, are also durable so the hotel still looks good over the years. Most of all, though, quality is about anticipating our guests' needs, thinking ahead so you can identify what will delight or irritate a

guest.' The hotel tries to anticipate guests' needs in a number of ways. For example, if guests have been to the hotel before, staff avoids their having to repeat the information they gave on the previous visit. Reception staffs simply check to see if guests have stayed before, retrieve the information and take them straight to their room without irritating delays. Quality of service also means helping guests sort out their own problems. If the airline loses a guest's luggage en route to the hotel, for example, he or she will arrive at the hotel understandably irritated. 'The fact that it is not us who have irritated them is not really the issue. It is our job to make them feel better.'

Speed, in terms of fast response to customers' requests is something else that is important. 'A guest just should not be kept waiting. If a guest has a request, he or she has that request now so it needs to be sorted out now. This is not always easy but we do our best. For example, if every guest in the hotel tonight decided to call room service and request a meal instead of going to the restaurants, our room service department would obviously be grossly overloaded and customers would have to wait an unacceptably long time before the meals were brought up to their rooms. We cope with this by keeping a close watch on how demand for room service is building up. If we think it's going to get above the level where response time to customers would become unacceptably long, we will call in staff from other restaurants in the hotel. Of course, to do this we have to make sure that our staffs are multi-skilled. In fact we have a policy of making sure that restaurant staff can always do more than one job. It's this kind of flexibility which allows us to maintain fast response to the customer.'

Dependability is also a fundamental principle of a well managed hotel. 'We must always keep our promises. For example, rooms must be ready on time and accounts must be ready for presentation when a guest departs; the guests expect a dependable service and anything less than full dependability is a legitimate cause for dissatisfaction.' It is on the grand occasions, however, when dependability is particularly important in the hotel. When staging a banquet, for example, everything has to be on time. Drinks, food, entertainment have to be available exactly as planned.

Any deviation from the plan will very soon be noticed by customers. 'It is largely a matter of planning the details and anticipating what could go wrong. Once we've done the planning we can anticipate possible problems and plan how to cope with them, or better still, prevent them from occurring in the first place.' Flexibility means a number of things to the hotel. First of all it means that they should be able to meet a guest's requests. 'We never like to say NO!. For example, if a guest asks for some Camembert cheese and we don't have it in stock, we will make sure that someone goes to the supermarket and tries to get it. If, in spite of our best efforts, we can't get any we will negotiate an alternative solution with the guest. This has an important side-effect – it greatly helps us to maintain the motivation of our staff. We are constantly being asked to do the seemingly impossible – yet we do it, and our staffs think it's great. We all like to be part of an organization which is capable of achieving the very difficult, if not the impossible.' Flexibility in the hotel also means the ability to cope with the seasonal fluctuations in demand.

They achieve this partly by using temporary part-time staff. In the back-office parts of the hotel this isn't a major problem. In the laundry, for example, it is relatively easy to put on an extra shift in busy periods by increasing staffing levels. However, this is more of a problem in the parts of the hotel that have direct contact with the customer. 'New temporary staff can't be expected to have the same customer contact skills as our more regular staff. Our solution to this is to keep the temporary staff as far in the background as we possibly can and make sure that our skilled, well-trained staffs are the ones who usually interact with the customer.'

So, for example, a waiter who would normally take orders, service the food, and take away the dirty plates would in peak times restrict his or her activities to taking orders and serving the food. The less skilled part of the job, taking away the plates, could be left to temporary staff.'

As far as cost is concerned, around 60 per cent of the hotel's total operating expenses go on food and beverages, so one obvious way of keeping costs down is by making sure that food is not wasted. Energy costs, at 6 per cent of total operating costs, are also a potential source of saving.

However, although cost savings are welcome, the hotel is very careful never to compromise the quality of its service in order to cut costs. 'It is impeccable customer service which gives us our competitive advantage, not price. Good service means that our guests return again and again. At times, around half our guests are people who have been before. The more guests we have, the higher is our utilization of rooms and restaurants, and this is what really keeps cost per guest down and profitability reasonable. So in the end we've come full circle: it's the quality of our service which keeps our volumes high and our costs low.'

### **Questions:**

- a. Describe how you think the hotel's management will:
  - I. Make sure that the way it manages the hotel is appropriate to the way it competes for business;
  - II. Implement any change in strategy;
- b. Develop its operation so that it drives the long-term strategy of the hotel.
- c. The case describes how quality, speed, dependability, flexibility and cost impact on the hotel's external customers. Explain how each of these performance objectives might have internal benefits.
- d. What are the lessons you learned from this case?

**THE END**

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

R.No. ....

Subject: Total Quality Management  
Full Marks: 100 Pass Marks: 50

Course Code: MGT 533  
Time: 4: 00 Hours

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

*Tick the best answers.*

1. Which is included in quality dimension?
  - a. Cost
  - b. Repair
  - c. Reputation
  - d. Price
2. Which is not the modern concept of quality?
  - a. Quality is everyone's business.
  - b. Low quality is due to poor labour management.
  - c. Quality is everyone's business.
  - d. Higher quality means higher cost, reduced profits, and makes production harder
3. According to Six sigma, the nonconformance rate per- million unit is:
  - a. 3.4
  - b. 3.6
  - c. 3.64
  - d. 3.54
4. Quality is free statement of:
  - a. Deming
  - b. Juran
  - c. Crosby
  - d. Ishikawa
5. Total Quality Management (TQM) focuses on:
  - a. Employee
  - b. Customer
  - c. Both (a) and (b)
  - d. None of the above
6. Which is not internal failure cost?
  - a. Cost involved in repair or replacement of product
  - b. Internal scrap
  - c. Engineering and drawing changes to correct errors
  - d. Rework cost
7. Which is not prevention cost?
  - a. Staff training
  - b. Product quality planning
  - c. Part selection for better reliability
  - d. Product performance testing
8. Loss function concept is developed by:
  - a. Shewhart
  - b. Taguchi
  - c. Fisher
  - d. Taylor
9. Which statement is false?
  - a. Delighted customer produces a 'wow' reaction.
  - b. Delighting the customers will lead to repurchase behaviour or customer loyalty.
  - c. Customer delight is, to take great pleasure or joy.
  - d. A delighted customer is high price sensitive.

10. Which statement is true?
- Customer never define quality
  - Quality is not strategic issue.
  - Quality is the responsibility of quality control department
  - Top management must provide the leadership for quality
11. .... has been given responsibilities to provide the relevant quality related to service in line with current requirements of the consumers and the suppliers in Nepal
- Nepal Bureau of Standards and Metrology
  - Ministry of Industry, Commerce, and supplies
  - Department of Industry
  - Office of the Company Registrar
12. Just-in Time (JIT) origin and development was in:
- U.S.A.
  - Japan
  - German
  - U. K.
13. .... is a plot of two variables in X and Y axis showing whether they are related or not.
- Control chart
  - Affinity diagram
  - Scatter diagram
  - Block diagram
14. According to Deming, Quality problems are arise:
- Due to management
  - Due to method
  - Due to machine
  - Due to material
15. To find out dissatisfies, the best starting point is:
- Market Research
  - Benchmarking
  - Brainstorming
  - Customer complaints
16. All of the following steps are required for quality planning except:
- Determine who the customers are
  - Deploy the plans to operational levels
  - Identify customers' needs
  - Assess actual quality performance
17. What is quality?
- Meeting and exceeding the customer's expectations.
  - Adding factors to make the customer happy.
  - The degree to which the project meets requirements.
  - Conformance to management's objectives.
18. Who is known as a father of modern-day statistical quality control?
- Shewhart
  - Deming
  - Juran
  - Crosby
19. Control chart is a ...
- Process monitoring tool
  - Process control tool
  - Both (a) and (b)
  - None of the above
20. Which of the following is for Environment management?
- ISO-9000
  - ISO-14000
  - ISO-26000
  - ISO-31000

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

Subject: Total Quality Management  
 Full Marks: 100 Pass Marks: 50

Course Code: MGT 533  
 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. Critically examine the modern concept of quality.
2. Describe about the role of TQM leaders in developing quality culture.
3. How does employee satisfaction relate to customer satisfaction?
4. Explain the quality management and improvement initiatives in Nepal.
5. Shortly describe on criteria of European Quality award.
6. Describe the cause-and-effect diagram with suitable example in hotel industry.
7. Write short notes (on any two):
  - a. Forced field analysis
  - b. Pareto analysis
  - c. Problem solving process

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

Answer any **TWO** questions:

8. Output depends on input and conversion process. In this perspective, describe the role of supplier and employee involvement to satisfy customer with suitable example. Why is external failure cost higher risky in comparison to internal failure cost? [10+5]
9. Describe the contribution of Deming, Juran, and Crosby on total quality management. [5+5+5]
10. The following data is given the weight of an automobile part. Five samples of four items each were taken on random sample basis (at an interval of 1 hour each).

Sample number	Weight of the parts in gram			
1	14	8	12	12
2	11	10	13	8
3	11	12	16	13
4	15	12	14	11
5	10	10	8	8

**Required:** Draw control charts for mean and range. Is the process under control? [6.5+6.5+2]

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

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

Toyota was founded by kiichiro Toyoda (kiichiro) in 1973. The history of Toyota goes back to 1897, when Sakichi Toyoda (Sakichi), father of kiichiro, diversified into the textile machinery business from the traditional family business of carpentry. Analysts were the view that Toyota recognized quality as an important aspect of customer satisfaction and strove to deliver quality products to the market. Experts opined that quality, considered as the DNA of Toyota, was inbuilt into each process.

Over the years, the Japanese automaker had built up a reputation for manufacturing reliable cars and trucks. Toyota's products were a byword for quality for customers so much so that its manufacturing techniques were

followed by its competitor's world over. Toyota's commitment to manufacturing world class and quality automobiles was entrenched in its entire manufacturing philosophy right through the development stages to manufacturing. At Toyota, quality was inbuilt into each manufacturing process and employees from all divisions ensured that defective items did not pass on to the next process. At the core of the company's success was the Toyota production system (TPS), which made use of concepts like just- in-Time (JIT), Kaizen, and Kanban to reach a high level of efficiency in production.

Toyota recognized quality as one of the most important factors affecting customer satisfaction and strove to achieve excellence in manufacturing quality products. To ensure zero defects in the finished product, Toyota set up quality assurance systems across various divisions including development, purchasing, and production. To overcome quality assurance problems caused due to rapid globalization, Toyota adopted the "Toyota Way" – a set of management principles and communicated them to all its overseas manufacturing plants. Due to its efficiency in manufacturing, Toyota became one of the most trusted brands in the global automobile industry.

With the globalization of its production, Toyota faced quality assurance problems. Quality assurance required that no matter where Toyota vehicles were manufactured, the same quality should be maintained. But some analysts felt that Toyota had become a victim of its own success. In the mid-2000s Toyota expanded its production facilities rapidly in a bid to grow globally and to achieve its goal of becoming the number one auto maker in the world. Toyota's rapid growth affected its product quality with the company reportedly compromising on its manufacturing techniques. Customer began to face safety related problems in Toyota vehicles. Later a series of recalls followed which put the company's hard-earned reputation for quality at risk. Analysts opined those constant recalls had damaged the reputation and brand image of Toyota and hindered its return to profitability. In a quest for market share, Toyota had sacrificed its legendary quality and ignored its own management principles and customers, they said. To verify the causes of recalls and improve quality, Toyota set up a committee headed by its president Akio Toyoda in early 2010. The committee was to inspect every process in the Toyota production system to ensure delivery of quality products to customers. On January 21, 2010, Toyota Motor corporation (Toyota) recalled 2.3 million select Toyota division vehicles in the US. The recall was done to fix sticking accelerator pedals which caused unintended acceleration, leading to accidents.

Earlier in November 2009 too, the company had recalled 4.2 million cars in the US to rectify accelerator pedals which were getting lodged under the floor mats of the vehicles. Subsequently on February 1, 2010, Toyota suspended the sales of eight of its popular car models involved in the recall and discontinued production at six of its North American Car- assembly plants in response to growing customer concerns. The eight car models represented 57% of Toyota's sales in the US in 2009. Talking about the recalls, Japanese Trade Minister Masayuki Naoshima said, "The scale of recalls is huge. The situation is serious. It points to the possible dangers a global economy can bring".

According to analysts, as the company was aggressively expanding globally, it lost its focus on quality and failed to maintain quality standards at its overseas plants. After becoming the president of Toyota in June 2009, Akio Accepted that the company in a bid to become the world's largest car maker had drifted away from its core value of focusing on the customer.

Some analysts expected Toyota's quality problems and the subsequent recalls to affect the brand image of the company in the long run and lead to a short-term effect on earnings. Toyota dealers would suffer losses and brand loyalty would get eroded, they said.

Expert felt that to prevent its image from slipping further, Toyota had to focus on its quality aspect. The company needed to closely monitor quality and overhaul its design, engineering, and manufacturing operations.

#### **Questions:**

- a. What are the factors that lead to Toyota's success in achieving high level of quality? [5]
- b. What are the manufacturing principles adopted by the Toyota Production Systems? [5]
- c. Explain the reasons for the quality related problems faced by Toyota. [5]
- d. Explore the strategies that Toyota could adopt in the future to regain its quality edge. [5]

**THE END**

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

R.No. ....

Subject: Entrepreneurship and Technology Management  
Full Marks: 100 Pass Marks: 50

Course Code: MGT 534  
Time: 4:00 Hours

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

*Tick the best answers.*

- Which one of the followings best explains the basic difference between entrepreneurship and intreprenurship?
  - Finding an opportunity for a new product in the market
  - Developing an internal communication system for quick action
  - Mapping competitors through consultants
  - Identifying a potential partner in the market
- Which one research is most suitable for entrepreneurs?
  - Applied business research
  - Normative research
  - Market research
  - Management research
- Which one of the followings does not stay true with reference to traditional project management?
  - Planning
  - Team building
  - Change management
  - Budget and cost control
- What doesn't come within three constraints in project risk management?
  - Staff
  - Scope
  - Time
  - Cost
- Which one of the followings characterizes best for the optimizer type of entrepreneur?
  - Liking innovation
  - Liking to challenge self
  - Workaholic
  - Simply being a business-owner
- Which of the following does not explain entrepreneurs on the basis of motivation?
  - Pure entrepreneur
  - Technical entrepreneur
  - Spontaneous entrepreneur
  - Induced entrepreneur
- Which one of the followings does not explain entrepreneurs on the basis of stages of development?
  - Induced entrepreneur
  - First-generation entrepreneur
  - Modern entrepreneur
  - Classical entrepreneur
- Which one of the followings represents the entrepreneurs that are characterized by traditionally bounded, shy and lazy, taking up new projects only when necessary?
  - Fabian entrepreneur
  - Adoptive entrepreneur
  - Drone entrepreneur
  - Innovative entrepreneur
- Pratima starts modern agribusiness in her home-town taking 100 acres of land on lease. She understand that getting finances for hi-tech machines for adding value to her products and getting skilled people difficult in her small town. But she believes that she will get through this issue sooner with an attractive marketing, and higher salaries and benefits as prevalent in the town. Which one of the followings be explains her context in terms of entrepreneurial strategic mix?
  - High innovation low risk
  - Low innovation high risk
  - High innovation high risk
  - Low innovation low risk

10. Raman starts bakery shop in front of a hospital where lots of patients and their escorts come for treatment. While observing the market around the hospital he had noticed that lots of people even after placing order leave the bakery simply because the service is not high-paced and they have appointments with doctors which they have to follow. He believes that serving fast and making it low cost will help him excel in the business. Which one of the followings explains best in terms of the entrepreneurial strategic mix?
- Low innovation low risk
  - High innovation low risk
  - High innovation high risk
  - Low innovation high risk
11. Rachana is thinking of opening a fashion designing school and a unisex showroom in Pokhara after completing her fashion designing course she is underway in India. She knows that people of Pokhara are fashion-loving and well-off to afford on fast changing fashion pace. Also, looking at the prospect many are interested in making career in fashion industry. She will also get loans as women entrepreneurs from banks. She is also thinking of bringing in modern technology used abroad in fashion industry focusing on mass production as all other fashion entities are quite old in terms of hi-tech equipment used in the industry. Which one of the followings explains best in terms of the entrepreneurial strategic mix?
- High innovation high risk
  - Low innovation high risk
  - Low innovation low risk
  - High innovation low risk
12. Rahul is planning to start a showroom in collaboration with different cooperatives across the country. He assumes that he can use his own home for this purpose. The only major cost associated is with transporting the products from cooperative groups to the showroom managing the supply chain which is very important for building the image. However, he has talked with transporters to do it. The only fear is- the sustenance of clients for long term, as it is all about quality consistency, price and continuous availability. Which one of the followings explains best in terms of the entrepreneurial strategic mix?
- High innovation low risk
  - High innovation high risk
  - Low innovation high risk
  - Low innovation low risk
13. When was it that technology became a part of entrepreneurship?
- Twenty-first century
  - Twentieth century
  - Nineteenth century
  - Eighteenth century
14. Which one of the followings explains best the entrepreneurs who refuse to adopt and use opportunities to make changes in production, follow traditional method?
- Innovative entrepreneur
  - Drone entrepreneur
  - Adoptive entrepreneur
  - Fabian entrepreneur
15. Innovation is defined as
- The commercialization of a new product/ process
  - The invention of a new product/ process
  - A new product/ process idea
  - The implementation of a new production method
16. Process innovation refers to
- The development of a new service
  - The development of a new product
  - The implementation of a new/ improved production method
  - The development of a new product or service

17. Innovation can help provide a temporary competitive advantage when:
- Barriers to entry are high
  - Barriers to imitation are low and intellectual property rights are difficult to enforce
  - There are few other competitors
  - Barriers to entry are low
18. Which one of the followings is valuable in setting standards?
- Competitive advantage
  - Late mover advantage
  - Early mover advantage
  - Technological advantage
19. The set of processes developed in an organization to create, gather, store, transfer, and apply knowledge best describes:
- Organizational learning
  - Knowledge management
  - Institutional memory
  - Knowledge assets
20. Expertise and experience of organizational members that has not been formally documented is known as:
- Knowledge sharing
  - Tacit knowledge
  - Organizational learning
  - Organizational memory

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

Subject: Entrepreneurship and Technology Management

Course Code: MGT 534

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. What are the important components of a feasibility report? Why are they important? [2+4]
2. Discuss the status of practicing knowledge management in Nepali organizations. Mention its benefits. [3+3]
3. Describe levers of knowledge. Why do we need to consider them? [3+3]
4. Differentiate between traditional and contemporary approaches to project management. [6]
5. How do we manage the risks associated with project management? [6]
6. How does any government encourage entrepreneurship? What are the benefits for the government facilitating it? [3+3]
7. How did entrepreneurship emerge through centuries? [6]

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

Answer any *TWO* questions:

8. How does innovation and technology management help in any business- specifically for an entrepreneur? Explain with examples, policies, and regulatory requirements. [7+8]
9. Discuss project management principles, assuming that you are leading a project of your choice. [15]
10. Discuss the critical characters/ personalities/ attributes of an entrepreneur taking and comparing two industries as references. [15]

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

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

Sabina is working in a reputed A-category hospital of Nepal, heading the business development section. She is given the responsibility of exploring the opportunities, and preparing for expanding in multiple branches across Nepal, with the purpose of uplifting the health condition regional populations, and at the same time, growing their business, in the context that Kathmandu is saturated with many competitors. Upon thinking seriously on the modality which one is different from its competitors? She is aware of the fact that there is resource crunch- especially when it is about specialist doctors ready to serve outside Kathmandu. Also, people are not much aware of health issues outside Kathmandu. Similarly, she will have to face the challenge of getting finances as it is high investment industry.

**Questions:**

- a. What components should Sabina consider while writing a proposal? Why are they important? [5]
- b. Write a short draft of the proposal with reference to the seven steps in project feasibility. [15]

**THE END**

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

R.No. ....

Subject: Corporate Law  
Full Marks: 100 Pass Marks: 50

Course Code: MGT 535  
Time: 4:00 Hours

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

Tick the *best* answers.

1. Which of the following is not law?
  - a. Judge made law
  - b. Legislations
  - c. Delegated legislation
  - d. Scholar writings
2. In contract, parties are allowed to write whatever they wish to write.
  - a. True
  - b. False
  - c. True but with restriction
  - d. Contract is in prescribed format
3. Which of the following may not be a consideration?
  - a. Something in return of the promise
  - b. An adequate promise
  - c. A value in legal eyes
  - d. Benefit and detriment
4. An offer cannot be made to one of the following:
  - a. Public
  - b. Offeror
  - c. To other parties
  - d. Group of people
5. A valid contract may become void.
  - a. True
  - b. False
  - c. Only minor contract is void
  - d. None of the above
6. If a contract is caused by a false representation without intention to lie then it is:
  - a. Contract against the law
  - b. Voidable contract
  - c. Void contract
  - d. Unenforceable contract
7. A contract with a minor can be made valid when:
  - a. Minor reaches the age of major
  - b. Minor has sufficient money
  - c. A & B both
  - d. None of the above
8. A contingent contract is related to:
  - a. Performance which is ongoing
  - b. Future certain event
  - c. Future uncertain event
  - d. Executed contract
9. In Common Law System, laws are:
  - a. Less codified, generally
  - b. Everything is written
  - c. Not codified
  - d. b & c
10. Which one of the following terminate the offer?
  - a. Rejection of offer
  - b. Counter-offer
  - c. Death of the parties
  - d. All of the above
11. Extra-Ordinary general meeting happens:
  - a. Once a year
  - b. Twice a year
  - c. As and when required to hold the meeting
  - d. In an emergency situation

12. Managing director is appointed by:
- Board of directors
  - Annual general meeting
  - Extra-ordinary general meeting
  - Shareholders
13. Insolvency always leads to liquidation of the company.
- True
  - False
  - Only in public company
  - b & c
14. Specific Performance is an order from the court not issued in one of the following circumstances:
- In case the contract has been signed for providing services relating to personal expertise, skill or knowledge
  - In case the amount paid in cash as compensation for breach of contract is not adequate
  - In case the court can clearly identify the performance of contract
  - In case where contract can easily be stipulated
15. When does the first annual general meeting takes place?
- As soon as company is registered
  - Within one year from the date of registration of the company in CRO
  - Within six months of registration of the company
  - Within six months from the end of fiscal year
16. A party entitled to claim compensation in proportion to the work done by him can file a suit for:
- Damages
  - Injunction
  - Quantum meruit
  - Liquidated Damages
17. Notice of annual general meeting must be given to the shareholders at least
- 15 days ahead
  - 21 days ahead
  - 35 days ahead
  - One week ahead
18. The remedy available in case of the breach of a negative term of contract:
- Suit for specific performance
  - Suit for quantum meruit
  - Suit for injunction
  - Suit for rescission
19. Pam agreed to sell beans to Nanu and promised that they were Mexican beans. It turned out that they were kidney beans. Nanu could challenge the contract for:
- Breach of contract
  - Mistake
  - Undue Influence
  - Misrepresentation
20. What are the types of liquidation?
- Mandatory and voluntary
  - Compulsory and mandatory
  - Regulatory and proceedings
  - Compulsory and voluntary

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

Subject: Corporate Law

Full Marks: 100 Pass Marks: 50

Course Code: MGT 535

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 voidable contract.
2. Differentiate between private and public law.
3. When does an unsound person can make a contract?
4. Consideration need not be adequate. Explain.
5. Explain the parliament as the source of making law.
6. Explain the role of the liquidator in liquidation.
7. Define vertical merger.

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

Answer any *TWO* questions:

8. Minors are incapable of making a contract and a contract made by minor is void. However, there are circumstances when minors are liable in a contract. Explain those circumstances with appropriate examples.
9. In a democratic state, the law-making authority is vested in the Parliament including Judiciary and the Executive. State when and how does Judiciary and the Executive make the law.
10. In how many ways an intellectual property can be protected? Explain your answers with types of intellectual property.

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

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

Jim is 14 years old boy. He goes to a gadget shop and buys a PS4 game. He lies to the seller that he is 18 years old and is contractually fit to purchase PS4. Seller believes in Jim and is ready to deliver PS4 to Jim's house and to receive the payment at the delivery. The seller delivers PS4 to Jim's house as per the agreement, but Jim's parents refuse to accept and pay for the delivery. They say that Jim does not have the capacity to purchase as he is still a minor. Seller returns with the gadget.

**Here Jim files a case against the seller saying it was a private agreement between Jim and seller and the seller breached the agreement.**

**Scenario 2**

The seller is aware that Jim is a minor. Jim also does not lie about his age. Jim and Seller sign an agreement that Jim will purchase PS4 from the seller when Jim reaches the age of major, that is 16 years.

Jim is 16 now but refuses to purchase PS4 from the seller as there is a new version of gaming gadgets in the market.

**The seller is furious and files a case against Jim (already a major) seeking to comply with Jim's obligation to purchase PS4.**

**Scenario 3**

Jim loves playing golf and he wants to develop golf as his profession and career. Tom, a professional golfer sees Jim has potential as a golf player in the future. Tom knows that Jim is a minor. Tom offers Jim that he would teach Jim to play golf for 3 months and Jim would pay Tom NPR 5000 per month for the lessons. Jim agrees to Tom's offer. However, Jim does not pay Tom even after completing three months of learning.

**Questions:**

- a. Tom is ready to file a case against Jim but wants to know the legal consequences of the agreement.
- b. Discuss possible outcomes in all three scenarios.

**THE END**

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

Subject: International Business Strategy  
Full Marks: 100 Pass Marks: 50

R.No.....  
Course Code: MGT 536  
Time: 4: 00 Hours

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

Tick the *best answers*.

1. TRIPS Council is for:
  - a. Goods Council
  - b. The council for trade-related aspects of Intellectual Property Rights
  - c. Services Council
  - d. Both a and c
2. \_\_\_ means the high adaptation of managerial practices to a given culture, and, therefore, high effectiveness.
  - a. Fitness for use
  - b. High fit
  - c. Fit and Fine
  - d. Substitution
3. \_\_\_ has made great advances in areas such as Bangladesh through economically liberating and empowering women with jobs.
  - a. Democratic
  - b. Feminism
  - c. Globalization
  - d. Liberalization
4. 'Globalization means that world trade and financial markets are becoming more integrated.'
  - a. True
  - b. False
  - c. Incomplete
  - d. Can't say
5. IBRD is also known as:
  - a. Exim Bank
  - b. World Bank
  - c. International Monetary fund
  - d. International Bank
6. Which of the following is international trade?
  - a. Trade between countries
  - b. Trade between regions
  - c. Trade between provinces
  - d. Both (b) and (c)
7. Dumping refers to:
  - a. Reducing tariffs
  - b. Sale of goods abroad at a lower price, below their cost and price in their home market
  - c. Buying goods at low prices abroad and selling at higher prices locally
  - d. Expensive goods selling for low prices
8. Which of the following was created in an effort to promote free trade?
  - a. World Trade Organization
  - b. The Sarbanes-Oxley Act
  - c. Multilateral Development Banks
  - d. The Organization for Economic Cooperation and Development

9. What was the first economic theory of international trade?
- The theory of mercantilism
  - The theory of comparative advantage
  - The theory of absolute advantage
  - The Heckscher-Ohlin theory
10. \_\_\_\_\_ is an example of Indian Multinational Company.
- Hindustan Unilever
  - Videocon
  - Cargill
  - Tesco
11. Capitalistic, Command and Mixed are the types of \_\_\_\_\_.
- Social System
  - Political System
  - Economic System
  - Cultural Attitudes
12. Subsidiaries consider the regional environment for policy or strategy formulation is known as:
- Polycentric Approach
  - Regiocentric Approach
  - Ethnocentric Approach
  - Geocentric Approach
13. IBRD stands for:
- International Board for Research and Development
  - International Bank for Reconstruction and Development
  - International Bank for Research Development
  - International Barrier for Reconstruction and Development
14. Market in which currencies are bought and sold and their prices settled is known as:
- International capital market
  - International bond market
  - Eurocurrency market
  - Foreign exchange market.
15. What is the relationship between the stock and flow of FID?
- FDI flows add to the FDI stock
  - FDI flows are generated from FDI stock
  - Changes in FDI stock correspond to changes in FID flows
  - FDI stock adds to FID flows
16. MNEs in which most subsidiaries are headed by the home-country nationals are said to employ a \_\_\_\_\_ human resource strategy.
- Ethnocentric
  - Geocentric
  - Polycentric
  - Regeo-centric
17. EU is a full-fledged:
- Common market
  - Political union
  - Economic union D
  - FTA
18. India is not associated with:
- BRICKS
  - SAARC
  - NAFTA
  - NON-OF THE ABOVE
19. Most of the governments have reduced the restrictions on international movements of products and services because:
- Their citizens want greater variety of goods and services at lower prices.
  - Competition spurs domestic producers to become more efficient.
  - They hope to include other countries to lower their barrier in turn.
  - All of the above
20. Nepal is a member of:
- APEC
  - BMISTEC
  - NAFTA
  - ASEAN

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

Subject: International Business Strategy

Full Marks: 100 Pass Marks : 50

Course Code: MGT 536

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. How is globalization related to international business today? Explain.
2. Describe "Country similarity theory" of international business.
3. Explain multinational corporation and its control mechanism.
4. How do different legal systems affect international business? Explain.
5. Elaborate the different dimensions of global production.
6. Describe the different issues of international marketing system.
7. Write short notes on: SAFTA and EU.

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

Answer any **TWO** questions:

8. Among the various international trade theories developed over the years, which trade theory best explain the present international business? Explain.
9. For a company interested in doing international business, suggest the various alternative modes to enter in to the international market. Also explain the benefits and complexities of adopting each of the internationalizing strategy.
10. Elaborate the principles, functions, and challenges of WTO. Discuss the Nepal being member of WTO can benefit or suffer.

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

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

Conventional wisdom holds that health care is one of the industries least vulnerable to dislocation from globalization. After all, like many service businesses, health care is delivered where it is purchased, right? If an American goes to a hospital for an MRI scan, won't that scan be read by a local radiologist? And if the MRI scan shows that surgery is required, surely the surgery will be done at a local hospital in the United States. Until recently, this was true, but we are now witnessing the beginnings of globalization in this traditionally most local of industries.

Consider the MRI scan: The United States has a shortage of radiologists, the doctors who specialize in reading and interpreting diagnostic medical images, including X-rays, CT scans, MRI scans, and ultrasounds. Demand for radiologists is reportedly growing twice as fast as the rate at which medical schools are graduating radiologists with the skills and qualifications required to read medical images. This imbalance between supply and demand means that radiologists are expensive; an American radiologist can earn as much as \$350,000 a year. In 2002, an Indian radiologist working at the prestigious Massachusetts General Hospital, Dr. Sanjay Saini, thought he had found a clever way to deal with the shortage and expense—beam images over the Internet to India where they could be

interpreted by radiologists. This would reduce the workload on America's radiologists and also cut costs. A radiologist in India might earn one-tenth of his or her U.S. counterpart. Plus, because India is on the opposite side of the globe, the images could be interpreted while it was nighttime in the United States and be ready for the attending physician when he or she arrived for work the following morning.

As for the surgery, here too we are witnessing the beginnings of an outsourcing trend. In October 2004, for example, Howard Staab, a 53-year-old uninsured self-employed carpenter from North Carolina had surgery to repair a leaking heart valve—in India! Mr. Staab flew to New Delhi, had the operation, and afterward toured the Taj Mahal, the price of which was bundled with that of the surgery. The cost, including airfare, totaled \$10,000. If Mr. Staab's surgery had been performed in the United States, the cost would have been \$60,000 and there would have been no visit to the Taj Mahal.

Howard Staab is not alone. Some 170,000 foreigners visited India in 2004 for medical treatments. That number is projected to rise by 15 percent a year for the next several years. According to the management consultancy McKinsey & Co., medical tourism (overseas trips to have medical procedures performed) could be a \$2.3 billion industry in India by 2012. In another example, after years of living in pain, Robert Beeney, a 64-year-old from San Francisco, was advised to get his hip joint replaced, but after doing some research on the Internet, Mr. Beeney elected instead for joint resurfacing, which was not covered by his insurance. Instead of going to a nearby hospital, he flew to Hyderabad in southern India and had the surgery done for \$6,600, a fraction of the \$25,000 the procedure would have cost in the United States.

Mr. Beeney had his surgery performed at a branch of the Apollo hospital chain. Apollo, which was founded by Dr. Prathap C. Reddy, a surgeon trained at Massachusetts General Hospital, runs a chain of 18 state-of-the-art hospitals throughout Asia. Between 2001 and 2004, Apollo treated 43,000 foreigners, mainly from nations in Southeast Asia and the Persian Gulf, although a growing number are from Western Europe and North America. In 2004, 7 percent of its revenue came from foreigners. With 200 U.S.-trained doctors on his staff, Dr. Reddy reckons that he can offer medical care equivalent to that in the United States, but at a fraction of the cost. Nor is he alone; Mr. Staab's surgery was performed by Dr. Naresh Trehan, a cardiac surgeon who was trained at New York University School of Medicine and worked there for a decade. Dr. Trehan returned home to India and opened his own cardiac hospital, which now conducts 4,000 heart surgeries a year, with a 0.8 percent mortality rate and 0.3 percent infection rate, on par with the best of the world's hospitals.

So, will demand for American health services soon collapse as work moves offshore to places like India? That seems unlikely. Regulations, personal preferences, and practical considerations mean that the majority of health services will always be performed in the country where the patient resides. Consider the MRI scan: To safeguard patient care, U.S. regulations require that a radiologist be licensed in the state where the image was made and that he or she be certified by the hospital where care is being given. Given that not many radiologists in India have these qualifications, no more than a small fraction of images can be interpreted overseas. Another complication is that the U.S. government sponsored medical insurance program, Medicare, will not pay for services done outside of the country. Nor will many private insurance plans. . . or not yet anyway. Moreover, most people would prefer to have care delivered close to home, and only in exceptional cases, such as when the procedure is not covered by their medical plan, are they likely to consider the foreign option. Still, most experts believe that the trends now in place will continue. Given that health care costs in America are the highest in the world, it seems likely that increasingly, a small but significant percentage of medical service will be performed in a country that is different from the one where the patient resides. The trend will certainly get a big boost if insurance companies start to offer enrollees the option of getting treatment abroad for expensive surgeries, as some are rumored to be considering.

### **Questions:**

- a. Is the globalization of health care good or bad for patients, for the American economy, and for Indian economy? Who might benefit from the globalization of health care? Who might lose?
- b. What are the issues of international business that you have encountered in the case? List them out and present your opinions as an IB consultant.

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

R.No. ....

Subject: Organizational Behavior  
Full Marks: 100 Pass Marks: 50

Course Code: MGT 535.  
Time: 4:00 Hours

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

Tick the best answers.

- Organizational behavior is \_\_\_\_\_
  - A science
  - An art
  - A science as well as an art
  - None of the above
- A study of the culture and practices in different societies is called \_\_\_\_\_
  - Personality
  - Anthropology
  - Perception
  - Attitudes
- The field of organizational behavior examines such questions as the nature of leadership, effective team development, and \_\_\_\_\_
  - Interpersonal conflict resolution; motivation of individuals
  - Organizational control; conflict management
  - Motivation of individuals; planning
  - Planning; development
- Which organization theory can be understood by if and then relationship?
  - System approach
  - Contingency approach
  - Process approach
  - Scientific approach
- Which of the following is/are not job related source of stress?
  - Role ambiguity
  - Role overload
  - Ethical dilemmas
  - Career concerns
- Which of the following is not an important issue relating to goal-setting theory?
  - Goal specificity
  - Equity among workers
  - Feedback
  - Defining the goal
- Raju believes that men perform better in oral presentations than women. What shortcut has been used in this case?
  - The halo effect
  - The contrast effect
  - Projection
  - Stereotyping
- If everyone who is faced with a similar situation responds in the same way, attribution theory states that the behavior shows \_\_\_\_\_.
  - Consensus
  - Similarity
  - Reliability
  - Consistency
- As a manager, one of James's duties is to present awards to outstanding employees within his department. Which Mintzberg managerial role is James acting in when he does this?
  - leadership role
  - liaison role
  - monitor role
  - figurehead role

10. Psychology's major contributions to the field of organizational behavior have been primarily at what level of analysis?
- the level of the group
  - the level of the individual
  - the level of the organization
  - the level of the culture
11. According to operant conditioning, when behavior is not reinforced, what happens to the probability of that behavior occurring again?
- It increases.
  - It declines.
  - It remains unchanged.
  - It becomes zero.
12. In attribution theory, what is distinctiveness?
- whether an individual displays consistent behaviors in different situations
  - whether an individual displays different behaviors in different situations
  - whether an individual displays consistent behaviors in similar situations
  - whether an individual displays different behaviors in similar situations
13. \_\_\_\_\_ is the process of screening out information that we are uncomfortable with or that contradict to our beliefs.
- Perceptual context
  - Selective perception
  - Halo effect
  - Stereotyping
14. Some people strongly believe that each person have control of his own life. This is \_\_\_\_\_.
- extroversion
  - conscientiousness
  - internal locus of control
  - external locus of control
15. Dual structure approach of motivation is developed by:
- Maslow
  - F. Herzberg
  - Alderfer
  - Mc Gregor
16. According to \_\_\_\_\_ employees love work as play or rest.
- X theory
  - Y theory
  - Z theory
  - None of these
17. Believes, attitudes, traditions and expectations which are shared by group members is called:
- Group norms
  - Group communication
  - Group cohesiveness
  - Group structure
18. \_\_\_\_\_ leader is self confident and can attract followers by his great influence.
- Charismatic
  - Autocratic
  - Laissez-faire
  - Bureaucratic
19. \_\_\_\_\_ refers to the network of personal and social relations that is developed spontaneously between people associated with each other.
- Formal organization
  - Informal organization
  - Business organization
  - Government organization
20. \_\_\_\_\_ is an attitude reflects the extent to which an individual is gratified or fulfilled by his work.
- Motivation
  - Job satisfaction
  - Contribution
  - Cognitive dissonance

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

Subject: Organizational Behavior  
Full Marks: 100 Pass Marks: 50

Course Code: MGT 535.  
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. "Behavior is generally predictable hence there is no need to study OB". Do you agree with this statement, why or why not? [2+4]
2. Discuss the nature and types of inter-group conflict in organization. State the conflict resolution ideas from side of management. [2+4]
3. Explain Equity theory of motivation. Do you think today's organization really compensate the employees effort on equity basis? [2+4]
4. What are the goals and outcome of OB? Explain briefly with examples. [2+4]
5. "Work force diversity brings conflict in an organization". Explain the statement relating with sources of conflict. [2+4]
6. What is personality? Besides big five, what other personality traits are relevant to organizational behavior? Explain. [1+5]
7. Write Short notes on (any two) [3×2]
  - a. Role of informal groups in organizations
  - b. Process of group formation
  - c. OD intervention

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

Answer any *TWO* questions:

8. Leadership models are structured approaches to provide effective guidance and decision making within an organization. Over the years, proponents of different types of leadership theory have developed programs aimed at categorizing different models, sometimes explaining when and where certain models are likely to function best for a given situation. In your view, which leadership model has the greatest practical application? Explain the model. Is everyone cut out to be a leader? Discuss. [5+5+5]
9. "Organizational Change and development has become imperative in view of dynamics of external environmental conditions and internal tensions and strains". Elucidate and discuss some approaches to planned change. [15]
10. Hawthorne study has significant contribution in the field of OB. How can you relate the findings of relay assembly test on the group formation and group dynamics of the organization? [3+12]

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

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

Gagan had come a long way from when he joined R.P. Communications (having a turnover of Rs. 20 lakhs) as a trainee artist in 1995 and today he had come to occupy the position of Creative Head at R.P. Communications (with a turnover of Rs. 15 crores). As a young trainee (in 1995), Gagan has been an amicable personality, he had always displayed keenness to gain knowledge – learn more, many-visible traits of creativity – in the sense try to make “unique”/different from others presentations, willing to share information and so on. It was typically these qualities of Gagan which made him approachable to others and appreciated by one and all and also saw him rising in the organization structure.

Nikky, the Creative Director at R.P. Communications, who had known Gagan right from the time he had joined R.P. Communications as a trainee, was surprised and recalling the contents of the just-concluded meeting with the members of the creative team at R.P. Communications. Manisha (a recent recruit at R.P. had said: “Madam, Gagan sir, scares the hell out of us by re~using to listen to our point to view”. Raj an executive at R.P. Communications had revealed “Madam, Gagan withholds important information from us, and creates conflict when he has to interact with other teams at R.P”.

Radheshyam, a senior creative manager at R.P. had said Gagan, seems to have changed, he seems to prefer to adopt a forcing style, like a controller, and expects all the assignments to be completed before time, and doesn't entertain any questions or queries from any of the creative team members. Nikky found it hard to believe that a likeable person such as Gagan could cause conflict. Nikky had promised the creative team to look into the matter and have a talk with Gagan also. After an informal chat with Gagan, Nikky felt that one of the causes of Gagan's behavior could be Role Ambiguity. This she had concluded from one statement made by Gagan “You know Nikky, my team is good, and however, they expect me to behave as I was before. I am trying my best to convince them that in my new role I am expected to perform even better than before”. Nikky decided to seek the help of CEO of learn & Grow Leadership Centre (LSLG), a Training firm, who regularly holds workshops meant for helping professionals and executives of firm~ to diagnose their own behavior patterns as well on how to manage the stress that could cause various levels of conflicts for the individual as well as the organization.

**Questions:**

- a. What do you think is the major causes of the problem in the above case? [5]
- b. Do you agree with Nikky that Role Ambiguity may have caused a change in Gagan's behavior? Why? [10]
- c. Can you suggest ways in which firms such as R.P. Communications can avoid such occurrences in future? [5]

**THE END**