

Scanned.

Mid-West University
Examinations Management Office
Surkhet, Nepal
Final Examination-2079
Master of Business Administration (MBA)
Semester - II

R.No.....

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

Course Code: MGT 521
Time: 4:00 Hours

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

Tick the best answers.

1. _____ divides the market into minor groups based on people's buying habits, needs, and wants.
 - a. behavioral
 - b. demographic
 - c. psychographic
 - d. geographic
2. In _____ segmentation market is segmented based on their lifestyle and interests
 - a. Behavioral
 - b. Psychographic
 - c. Demographic
 - d. Geographic
3. A _____ mix is a combination of marketing methods including advertising, sales, public relations and direct marketing to achieve a specific marketing goal.
 - a. marketing
 - b. sales
 - c. promotional
 - d. sales promotional
4. _____ strategy was mainly used at the time of production concept
 - a. Good Value Pricing
 - b. Value Based Pricing
 - c. Skimming Pricing
 - d. Cost Based Pricing
5. The _____ stage is the stage in new product development in which the new products or services are brought to market.
 - a. commercialization
 - b. prototype development
 - c. market tests
 - d. production development
6. In _____ stage a model of the proposed product is made.
 - a. prototype development
 - b. market Tests
 - c. business analysis
 - d. production development
7. _____ refers to decisions relating to the addition or deletion or product(s) from existing product lines
 - a. Product length decision
 - b. Product line decision
 - c. Individual product line decision
 - d. Product mix decision
8. _____ occurs when a business sets a base product at a lower price and additional products at a higher price.
 - a. Product Line Pricing
 - b. Captive Product Pricing
 - c. Optional Product Pricing
 - d. Product Length Pricing
9. Cost analysis is one of the dimensions of _____ analysis
 - a. competitor
 - b. customer
 - c. customer motivation
 - d. market

10. In _____ analysis change in taste and preferences, demand levels, price sensitivity are analyzed
- customer
 - competitor
 - market trend
 - unmet need
11. _____ is the closeness of relationship between different product lines
- Product Mix Consistency
 - Product Line Stretching
 - Product Line Filling
 - Product Mix Width
12. Leaflet marketing using letterbox drops and handouts is an example of _____
- public relations
 - direct marketing
 - mass advertising
 - media marketing
13. _____ concept believes that consumer will favor products that are durable and are backed up by the long term warranties
- Selling
 - Production
 - Product
 - Marketing
14. The focus of the _____ concept is on the customers or buyers and finding out ways to produce such a product that would satisfy the needs and wants of customers.
- production
 - product
 - selling
 - marketing
15. In the communication process _____ ensures that the message are bundled in the right format for the sender to send the appropriate message to the receiver.
- encoding
 - decoding
 - channel decision
 - receiver
16. A \$100 bottle of perfume may contain only \$3 worth of scent, but some people are willing to pay \$100 because this price indicates something special. This is an example of _____ pricing
- psychological
 - international
 - dynamic
 - geographical
17. _____ refers to the place that a brand occupies in the minds of the customers and how it is distinguished from the products of the competitors.
- Segmentation
 - Positioning
 - Targeting
 - Promotion
18. Under _____ distribution manufacturer make a deal with a retailer to sell a product through that specific storefront only
- inferential
 - intensive
 - exclusive
 - selective
19. _____ includes the assessment of market size, market growth rate, market profitability, cost structure, distribution system, market trends, key factors for success, and risks in high growth markets.
- Competitor Analysis
 - Customer Analysis
 - Trend Analysis
 - Market Analysis
20. _____ conflict occurs among firms on the same level of distribution
- Horizontal
 - Vertical
 - Selling
 - Segregated

Mid-West University
Examinations Management Office
Surkhet, Nepal
Final Examination-2079
Master of Business Administration (MBA)
Semester - II

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

Course Code: MGT 521
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. Discuss the emerging trend of marketing in this modern time period.
2. Define business market. Distinguish between business market and buying behavior.
3. Why do you think top level management is more focused on macro environmental analysis?
4. "Product Life cycle is important to marketer" give your argument.
5. If you are launching a new mobile brand in the market, what can be your options to price this new brand in the market? Which one will you choose and Why?
6. "Pricing depends on the value that customers are willing to assign to or pay for particular products, features, and services". Justify the statement.
7. What are the steps and strategies to develop effective communication for promotional mix.

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

Answer any **TWO** questions:

8. "Segmentation, targeting, and positioning is a three-step model that examines products or services as well as the way to communicate benefits to specific customer segments." Explain the statement.
9. "Competitor analysis will help us to recognize how we can enhance our business strategy". Justify the statement. Explain, how we can categorize competitors.
10. How can marketing information system be helpful for the business? Discuss.

SECTION D: CASE STUDY (20 MARKS)

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

Case: Chain Retailer in Kathmandu

People are getting busier. Gone are the days when the wives looked at the daily chores and their husband were the breadwinners. Now the society has changed and there is different dimension seen in Kathmandu, the capital of the country.

Earlier, people used to buy the products from the corner retail store which anyone can find at the every street of the capital. Since, registration process is easier and it involves a low investment to run a retail store in the capital, there are still retail store in almost every corner of the capital. There are many benefits of these kind of stores:- consumer can buy in a small quantity, consumer can avail short credit facility and some offer home delivery facilities as well. More than that it is a good place to gather around chat with neighbor and friends.

Now, the time have changed there are a lot of families with dual income. The challenge that has been put by the environment requires more income. The literacy rate of the female is ever increasing. So, female are also joining the workforce. This has impacted the retail industry. People do not have time to go to the small retail shops for their daily necessity. They all want one stop solution.

There are a lot of retail chain brands and each has their own Unique Selling Proposition. Above all, they provide one stop solution to the busy workforce. A family can get their groceries, try new clothes, explore the home appliance and eat something. Some of the retail stores has exceeded expectation by providing hair salon, furniture showroom etc. The chain retail store seems to have caught the opportunity provided by the environment.

Questions

- a. Do you think retail stores have analyzed the business environment properly?
- b. What are the factors that the chain retail store has to analyze?
- c. Discuss the importance of retailers.
- d. As per the case what types of channel conflicts may occur in the market?

THE END

Mid-West University
Examinations Management Office
Surkhet, Nepal
Final Examination-2079
Master of Business Administration (MBA)
Semester - II

R.No.....

Subject: Management Information Systems
Full Marks: 100 Pass Marks: 50

Course Code: MGT 522
Time: 4:00 Hours

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

Tick the best answers.

1. A system is a group of interrelated components working towards _____ by accepting inputs and producing outputs.
a. organized transformation
b. a common goal
c. fundamental understanding
d. none of these
2. Which type of data can be stored in the database?
a. image oriented data
b. text files
c. audio, video and motion picture
d. All of these
3. Computer systems and telecommunication network lie under the _____ resources of information system.
a. People
b. Hardware
c. Software
d. Both b and c
4. Which one of the followings is an essential process in which the intelligent methods are applied to extract data patterns?
a. Data Warehousing
b. Data Mining
c. Text Mining
d. Data Selection
5. The operation support system that enhances team and workgroup communication is _____.
a. transaction processing system
b. process control system
c. enterprise collaboration system
d. management information system.
6. _____ system provides information in the form of reports and displays to managers and many business professionals.
a. Management Information
b. Decision Support
c. Executive Information
d. All of these
7. Which e-commerce transaction provides the benefits of eliminating the requirement of a middleman?
a. B2B ecommerce
b. C2C ecommerce
c. B2C ecommerce
d. All of these
8. A strategic information system uses Information Technology to help an organization _____.
a. gain competitive advantage
b. reduce competitive disadvantage
c. meet strategic objectives
d. all of these
9. Which one of the followings is the competitive force in a competitive environment?
a. Bargaining power of Supplier
b. Selling power of Business
c. Threat of Rivals and New Entrants
d. Both a and c
10. Which one of the followings is a component of artificial intelligence?
a. Learning
b. Training
c. Designing
d. Puzzling
11. The purpose of supply chain management is to _____.
a. increase the production level
b. enhance the quality of a product and services
c. manage and integrate supply and demand management
d. provide satisfaction to the customer

12. Establishing new business linkages with customers, suppliers, former competitors, consultants, and others can create competitive advantage is _____.
- a. differentiation strategy
b. alliance strategy
c. innovation strategy
d. growth strategy
13. The _____ views a firm as a series of basic activities that add value to its products and services to support a profit margin of the firm.
- a. human resource management
b. value chain
c. both a and b
d. none of these
14. _____ is a fundamental rethinking and radical redesign of business processes to achieve dramatic improvements in cost, quality, speed, and service.
- a. Information technology
b. Business Process Reengineering
c. Value Chain Analysis
d. None of these
15. _____ emphasizes quality improvement that focuses on the customer requirements and expectations of products and services.
- a. Business Quality Improvement
b. Business Reengineering
c. Customer Focuses Business
d. Total Quality Management
16. _____ is the ability of a business to prosper in rapidly changing, continually fragmenting global markets for high-quality, high-performance, customer-configured products and services.
- a. Virtual Companies
b. Agility
c. Rapid Application Development
d. Both a and c
17. _____ creates techniques, technologies, systems, and rewards for getting employees to share what they know.
- a. Knowledge Management
b. Business Management
c. Technical Support
d. Vendors
18. _____ is a set of rules for determining moral standards or socially acceptable behaviour.
- a. Protocol
b. Ethics
c. Standard Rule
d. Both b and c
19. Which one of the followings is the basis of building a lasting relationship with the customers?
- a. Product Price
b. Need Identification
c. Product Quality
d. Customer Satisfaction
20. Internal information for MIS may come from _____.
- a. customers care department
b. HR department
c. marketing department
d. production department

Mid-West University
Examinations Management Office
Surkhet, Nepal
Final Examination-2079
Master of Business Administration (MBA)
Semester - II

Subject: Management Information Systems
Full Marks: 100 Pass Marks: 50

Course Code: MGT 522
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 is an information system? Explain the components of an information system. [2+4]
2. Which business decisions, both in terms of ethical aspects of IT, will you need to make in your capacity as a manager? Give examples to support your response. [4+2]
3. Expert system makes use of specialized knowledge to solve many business problems. Explain the application areas where this type of system can be implemented to support the business-related issues. [6]
4. Supply chain management emphasizes the need for cooperation between the entire chain from suppliers, manufacturers, distributors, whole sellers, retailers, and finally to the end customers. Give examples to illustrate how information systems help businesses with SCM. [4+2]
5. What are the five important areas of knowledge to end users in order to understand information systems? Explain with reference to the knowledge of business professionals. [4+2]
6. What is knowledge discovery in database? Explain the KDD process with a relevant diagram. [2+4]
7. In vast amounts of business data stored in data warehouses, data mining can uncover new correlations, patterns, and trends. Explain the impact of mining in any business database using a data mining process as an example. [6]

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

Answer any **TWO** questions:

8. Only a company that successfully creates strategies to deal with the five competitive forces that influence the structure of competition in its industry can survive and succeed over the long term. What are the models of IT infrastructure's competitive forces and strategies to a business? Explain with examples. [6+6+3]
9. An ERP system can help a company dramatically improve its processes and remain competitive, but it is a journey that must be undertaken with considerations. Getting the most out of an ERP means investing time to ensure the business transformation is successful, from laying the organizational groundwork to planning for the long haul. How can ERP selection criteria address the industry-specific challenges and work as a trusted advisor at every step of the way? Explain with real life examples. [6+6+3]
10. Customer requirements and behavior are changing so quickly nowadays that any ecommerce business must constantly adapt in order to survive. Retailers should be technologically prepared to rapidly innovate, quickly implement robust code, and tap into new content delivery channels. How can a proper ecommerce architecture in place be a solution for such situation? Explain with relevant justifications. [12+3]

SECTION D: CASE STUDY (20 MARKS)

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

Hilton Hotels Corporation has learned that customers are more satisfied when they have a problem and the hotel staff takes care of it than if the stay goes flawlessly. Giving hotel staff the information to make critical recoveries is the reason Hilton, during one of the industry's worst downturns in decades, piled \$50 million into a custom-built customer relationship management (CRM) information system that has been integrated to cover 22 million guests in every property across the eight brands that Hilton owns. "The hospitality industry is a people business," says CIO Tim Harvey. "It doesn't do any good to have great customer information that's only in the reservations system and available to the call center. We need to have it common across all systems."

Hilton is putting its CRM system, called OnQ, to the test in a high-stakes expansion program. As the industry regains momentum, Hilton is opening an estimated 275 hotels by the end of 2005. OnQ is the IT centerpiece of a 2-year old Hilton CRM strategy, officially known as "Customers really matter." The strategy is pinned on the idea that employees with a clearer idea of who customers are and what their past Hilton experiences have been can engineer constant improvement.

There are plenty of risks in the strategy. For one, Hilton needs to present its deep customer histories clearly enough that employees at the front desks, where turnover averages more than 100 percent a year, can put it to use. And Hilton is trying to use the integrated information system to build loyalty with customers across an incredibly diverse mix of eight hotel brands—so the same customer is recognized checking into a \$79 room at Hampton Inn in Davenport, Iowa, or a \$540 suite at the Hilton Hawaiian Village in Honolulu.

The risk Harvey and his team know they need to guard against is hitting a hotel staff with so much information, or doing it in such a disruptive way, that it prevents employees from interacting with guests and making judgments.

A lot of love and sweat went into building OnQ, a system that's about 70 percent custom-coded. The custom components include a property-management system, the CRM application, and a hotel owner-reporting module. The system is delivered as an IT service to the franchise dominated chain. Hilton owns just 52 of its 2,216 hotels, and franchisees license the software, paying Hilton annual fees that work out to about three-fourths of 1 percent of a hotel's revenue.

Hilton's IT leadership is stacked with hotel industry veterans who have no trouble defining IT success in terms of how quickly guests get to their rooms and whether the rooms are what they asked for. Harvey looks at it this way: If guests are disappointed, eventually Hilton's shareholders will be, too. "We are passionate that our brand is only as good as our customers think we are," he says. OnQ's \$50 million price tag makes it by far Hilton's largest technology investment of the past several years.

For OnQ to fulfill its mission, it needs to do more than deliver information; it needs to be a decision-support tool. For example, if a guest has complained in the past about being bumped from an overbooked hotel and moved to another Hilton property, the system will highlight that history should the same situation come up, thus making it less likely a hotel will ask that customer to "walk" again.

One-way OnQ already is yielding measurable benefits is in its ability to match customer reservations with profile database records. Before the system's deployment, just 2 of every 10 guest reservations could be matched to an existing profile. With OnQ, it's matching 4.7, and Hilton says that number can be closer to 6. Such success brings a smile to the face of Chuck Scoggins, senior director of Hilton.com and a key figure in the OnQ development project. Each customer profile includes a variety of information, from credit card data and stay histories to frequent-flier miles and room preferences, all of which can be used to match people to their profiles. The company considers its matching technology, which lets the front desk search through 180 million records and get answers almost instantly, to be critical intellectual property. "These are our algorithms, and we believe they're the best in the industry," Scoggins says. That's why Hilton continues to custom-build most of its software instead of buying off the shelf. "I'm reluctant to replace something we've worked so hard on until we can be sure it will be a significant improvement," Scoggins says.

While OnQ helps Hilton run its existing operations, the system's real return will be measured by whether it lets the company reinvent what it does and what it offers customers. Harvey hasn't lost sight of the more distant future. Hilton's 540-person IT staff spends about \$132 million a year—about 2 percent of revenue—on IT. About \$1 million of that goes to true research and development investigating emerging technologies. "Too often, we forget to think about innovation in the rush to meet business objectives," Harvey says. "We get so intent on trying to deliver, but that thinking outside of the box is crucial to our future success."

Source: Adapted from Tony Kontzer, "Data Driven Hospitality," InformationWeek, August 2, 2004.

Copyright © 2004 CMP Media LLP. H

Questions

- a. What are the benefits and drawbacks of the OnQ system at Hilton? [5]
- b. What does Hilton have to do to create a competitive advantage through OnQ? Provide some specific examples. [5]
- c. Is it possible to have too much information about a customer at Hilton? Explain. [5]
- d. Suggest the information system that could possibly improve Hilton's Business performance. [5]

THE END

Mid-West University
Examinations Management Office
Surkhet, Nepal
Final Examination-2079
Master of Business Administration (MBA)
Semester - II

R.No.....

Subject: Managerial Economics
Full Marks: 100 Pass Marks: 50

Course Code: MGT 523
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 not a type of economic system?
 - a. Controlled economy
 - b. Free market economy
 - c. Controlled market economy
 - d. Mixed economy
2. In a mixed economy, resources are used as a result of
 - a. The decisions of consumers only.
 - b. The decision of firms only.
 - c. The decisions of consumers and firms
 - d. The decisions of consumers, firms and government.
3. What two factors contribute to scarcity?
 - a. unlimited resources and limited wants
 - b. unlimited wants and limited resources
 - c. unlimited resources and wants
 - d. limited resources and wants
4. Which one of the following areas of economic theory is the single most important element of managerial economics?
 - a. Mathematical economics
 - b. Microeconomics
 - c. Macroeconomics
 - d. Development economics
5. A market without legal prices is in equilibrium when:
 - a. quantity demanded equals price.
 - b. the demand curve remains constant.
 - c. quantity demanded equals quantity supplied.
 - d. quantity demanded is greater than quantity supplied.
6. If a price floor above the equilibrium price is imposed by government in a market:
 - a. shortages of the commodity will develop.
 - b. the quantity demanded will exceed the quantity supplied.
 - c. the quantity supplied will exceed the quantity demanded.
 - d. the free-market equilibrium price and quantity will still be realized.
7. When Thomas's income rises, his demand curve for apples shifts to the right. Which one of the following statements is true?
 - a. For Thomas apples are a normal good.
 - b. For Thomas apples are an inferior good.
 - c. For Thomas apples are complements.
 - d. For Thomas apples are substitutes.
8. Cross elasticity of demand is:
 - a. positive for complementary goods.
 - b. unitary for independent goods.
 - c. positive for substitute goods.
 - d. positive for inferior goods.
9. If consumer income declines, then the demand for
 - a. normal goods will increase.
 - b. inferior goods will increase.
 - c. substitute goods will increase.
 - d. complementary goods will increase.

10. The price elasticity of demand is 5. if a 10 percent increase in the price results in a _____ decrease in the quantity demanded.
- 20 percent
 - 40 percent
 - 50 percent
 - 60 percent
11. To draw a budget line for two goods one must know at least
- The prices of both goods and the money income of the consumer.
 - The money income of the consumer and price of one good.
 - The price of both goods.
 - The relative price of one good and the absolute price of the other good.
12. When the total product curve is falling, the:
- marginal product of labor is zero.
 - marginal product of labor is negative.
 - average product of labor is increasing.
 - average product of labor must be negative.
13. Average fixed cost
- is U-shaped
 - is parallel to x-axis
 - is a long-run concept only
 - declines over the entire output range
14. How are AR and MR correlated with each other under perfectly competitive market?
- $AR > MR$
 - $AR < MR$
 - $AR = MR$
 - none of the above
15. At the profit-maximizing level of output, a monopolist will always operate where:
- price is greater than marginal cost.
 - price is greater than average revenue.
 - average total cost equals marginal cost.
 - total revenue is greater than total cost.
16. A cartel is defined to be
- any oligopolistic industry with fewer than 4 firms.
 - a form of oligopoly in which firms agree to sell at different prices like in monopolistic competition.
 - a form of oligopoly in which firms formally agree to establish a common strategy, often a common price, in effect acting like a monopoly.
 - a form of oligopoly in which firms agree to compete with each other on an equal basis.
17. Price leadership avoids
- Price war
 - New entrants to the market
 - Promotes products differentiation
 - Selling cost
18. A firm practicing price discrimination will be
- charging different price for different qualities of a product
 - buying in the cheapest and selling in the dearest markets
 - charging different prices in different markets for a product
 - buying only from firms selling in bulk at distance
19. Which one of the following methods of capital budgeting is based on cash flows?
- Payback period
 - Net Present Value
 - Profitability index
 - All of the above
20. The rate of discount at which NPV of a project becomes zero is also known as
- average rate of return
 - alternative rate of return
 - internal rate of return
 - none of the above

Mid-West University
Examinations Management Office
Surkhet, Nepal
Final Examination-2079
Master of Business Administration (MBA)
Semester - II

Subject: Managerial Economics
Full Marks: 100 Pass Marks: 50

Course Code: MGT 523
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. Discuss the fundamental problems of scarcity and choice in managerial economics. [6]
2. Explain the concepts of price ceiling and price control. [3+3]
3. The demand equation of Colgate Toothpaste is given below:

$$Q_x = 1572 + 2A + 10Y + 3P_y - 4P_x$$

Where Q_x = Quantity demanded for Colgate Toothpaste; A = Advertisement expenditure in thousand rupees; P_x = Price of Colgate Toothpaste; P_y = Price of Pepsodent Toothpaste; Y = Income in thousand rupees.

Requirements:

- a. Find the quantity demanded if $P_x = \text{Rs.}400$, $Y = \text{Rs.}15000$, $A = 20000$ and $P_y = \text{Rs.}500$.
- b. Find price-elasticity of demand at $P_x = \text{Rs.}400$. Is the demand elastic or inelastic? What would be the effect of a rise in the price on the total income?
- c. Find cross elasticity of demand between the two goods. Are two goods substitutes or complements? Give reasons. [2+2+2]
4. Decompose price effect into income effect and substitution effects for normal goods with the help of hicksian approach [6]
5. Explain the concepts of economies of scale and diseconomies of scale. [6]
6. Define price discrimination. What are the necessary conditions for price discrimination? [6]
7. "Capital budgeting is a critical part of the financial decision-making process in businesses." Explain. [6]

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

Answer any TWO questions:

8. Suppose the price of X good is Rs. 20 and the Price of Y good is Rs. 50 and monthly income of a family is Rs. 2000 to spend on goods X and Y.
 - a. i. Draw budget line of the family.
 - ii. Suppose the family spends their income equally on X and Y. Show where the family ends up on income constraint.
 - b. i. Suppose, the family income increases to Rs. 3000. Draw a new price line.
 - ii. Suppose after the change in income, the family spends Rs. 800 on Y and Rs.2200 on X. Show where the family ends up on income constraint.
 - c. i. Suppose, the family income decreased from Rs. 2000 to Rs. 1500. Draw the new budget constraint.
 - ii. Suppose after the fall in income, the family spends Rs. 1000 on Y and Rs. 500 on X. Show where the family ends up on the budget constraint.
 - d. Identify the nature of Y good.
 9. Define production function .What are its types. How does producer a) maximize output under the given total cost outlay, and b) minimize cost under given production quota? [3+2+3+2+2+2+1]
 10. What is perfect competition? How are price and output determined under this type of market in the short-run and long-run? [2+3+5+5]
- [3+8+4]

SECTION D: CASE STUDY (20 MARKS)

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

BlackBerry dominated the smartphone market for most of the past decade. An icon of the 2000s and a giant of the pre-iPhone era, the BlackBerry then seemed almost invincible. At its peak in 2008, it had about 51 percent of the North American and 22 percent of the global smartphone market, its share price was \$230, and its market valuation \$83 billion. Businesses loved its emphasis on security and its compact keyboard. But then BlackBerry (earlier known as Research in Motion or RIM) collapsed—and what a collapse it was! By fall 2013, BlackBerry's share of the global smartphone market had fallen to less than 3%, its share price to \$11, and its market valuation to less than \$5 billion. How could such a dramatic collapse occur in few short years?

BlackBerry's failure was due to its inability to respond in a timely fashion to the introduction of Apple's iPhone in 2007, followed by other smartphone competitors (primarily Samsung) using Google's Android operating system. BlackBerry simply did not take the iPhone seriously because, it reasoned, the iPhone did not have a keyboard, which made it more difficult to write work-related emails. The iPhone was simply a toy that employers would not allow employees to use on the job. BlackBerry top management did not realize that smartphone users would be willing to give up some of the ease of e-mail use for the many other important advantages, such as a speedy mobile web browser and the many free or low-cost apps that smartphones provided, which came to dominate customers' lives.

By the time BlackBerry realized its mistake and introduced, after long delays, its own smartphones (the key-board-equipped Q10 and the touch screen Z10) in spring 2013, it was too little, too late. It could, perhaps, have worked if the Q10 and the Z10 had been introduced two years earlier, but in 2013 it was much too late. By then BlackBerry had lost most of the market to Apple and Samsung, and it had become only a marginal player in the market and was facing bankruptcy. BlackBerry discovered what many other high-tech market leaders had discovered earlier—that once you lose "coolness" and consumers and companies begin to switch allegiance, the trend can seldom be stopped. There is then nowhere to hide. Competition in the smartphone market is just that brutal, dominated as it is by two brilliant and dynamic firms (Apple and Samsung) with deep pockets.

There are now only a few possibilities for BlackBerry to survive. One is to quit the rough hardware market and focus on software and network services. As a Canadian "national champion" it could also be saved by the government or a consortium of Canadian banks and pension funds. Or it could look for a buyout. This last avenue seems mostly closed (BlackBerry seems to have approached some top electronic companies, including Microsoft, Samsung, IBM, and others, but they did not seem interested in a buyout). If nothing works, sadly, BlackBerry will join other former market leaders in oblivion.

The upheaval that afflicts the global handset business was not limited to BlackBerry. On September 4, 2013, Nokia (the Finnish firm that was the leader in the smartphone market with about 30 percent of the world market in 2009) announced that it was selling its handset business (which by then had only 3 percent of the market) to Microsoft for \$7 billion. Nokia, however, did not go out of business, it announced that it would refocus on its thriving telecom infrastructure business. Earlier, Motorola was bought by Google, and Hewlett-Packard closed smartphone pioneer Palm after acquiring it.

Questions for Discussion

- How could management have known that the iPhone represented such a disruptive technology? [5]
- How could management still have prevented the collapse of BlackBerry after realizing that the introduction of smartphones ushered the world into a new era? [5]
- Was the sale of BlackBerry to a consortium of Canadian investment companies at a very low price the best managerial decision by BlackBerry? Can you think of a better decision? [5]
- Do you think that Microsoft's acquisition Nokia's handset business in order to compete with Apple and Samsung in the smartphone business was a smart managerial move? [5]

Mid-West University
Examinations Management Office
Surkhet, Nepal
Final Examination-2079
Master of Business Administration (MBA)
Semester - II

R.No.....

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

Course Code: MGT 524
Time: 4:00 Hours

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

Tick the best answers.

1. Which one is an executive finance function of financial management?
 - a. EPS maximization.
 - b. Working capital decision.
 - c. Customer satisfaction.
 - d. Cost reduction.
2. Profit maximization refers to
 - a. maximization of after-tax income.
 - b. maximization of sales revenue.
 - c. maximization of stock price.
 - d. maximization of operating profit.
3. Why is stock price maximization superior to profit maximization?
 - a. Because it considers all revenues.
 - b. Because it considers all costs.
 - c. Because it considers the timing of cash flows.
 - d. Because it considers both revenues and costs.
4. In which situation the periodic, simple, and effective interest rates are the same?
 - a. Monthly compounding.
 - b. Annual compounding.
 - c. Quarterly compounding.
 - d. Semi-annual compounding.
5. A series of equal cash flows with fixed time intervals at end of each period up to a finite period of time is called:
 - a. ordinary annuity.
 - b. annuity due.
 - c. perpetuity.
 - d. lump sum payment.
6. The simple interest rate is always :
 - a. less than or equal to the effective interest rate.
 - b. greater than or equal to the effective interest rate.
 - c. equal to the effective interest rate.
 - d. greater than the effective interest rate.
7. The capital budgeting decision is also called :
 - a. dividend decision.
 - b. liquidity decision.
 - c. financing decision.
 - d. capital investment decision.
8. The number of years required to recover the initial investment with a present value of expected cash flows is called:
 - a. internal rate of return.
 - b. payback period.
 - c. discounted payback period.
 - d. net present value.
9. The net present value of a project is the difference between.....
 - a. pv of revenues and costs.
 - b. pv of cash expected cash flows and initial investment.
 - c. pv of profit and costs.
 - d. cash flows and initial investment.

10. Only the mutually exclusive project is acceptable if.....
- it has a positive NPV.
 - it has the highest positive NPV
 - it has the lowest positive NPV
 - it has zero NPV.
11. The IRR of a project is greater than the required rate of return if.....
- its NPV is positive.
 - its NPV is negative.
 - its NPV is less than zero.
 - its NPV is equal to zero.
12. The payback period can be defined as:
- the number of years required to recover the initial investment with expected cash flows.
 - the number of years required to recover the initial investment with expected net income.
 - the number of years required to recover the initial investment with the present value of expected cash flows.
 - the number of years required to recover the initial investment with the present value of expected net income.
13. The cost of external equity is always higher than internal equity.
- because it is outsider equity.
 - because it is internal equity.
 - because it is based on the market price per share.
 - because the firm must pay flotation expenses on the issue of new shares.
14. The operating cycle is the.....
- sum of receivable collection period and inventory conversation period less payable deferral period.
 - sum of inventory conversation period, receivable collection period, and payable deferral period.
 - the sum of the payables deferral period and inventory conversation period, and less the receivable collection period.
 - sum of inventory conversion period and days sales outstanding.
15. What is the meaning of 3/10 net 40?
- a 2 percent discount is allowed if payment is made within 10 days otherwise payment must be made within 30 days from the invoice date.
 - a 2 percent discount is allowed if payment is made within 10 days otherwise payment must be made within 40 days from the invoice date.
 - a 2 percent discount is allowed if payment is made between 10 to 40 days otherwise payment must be made within 40 days from the invoice date
 - a 2 percent discount is allowed if payment is made after 10 days otherwise payment must be made within 30 days from the invoice date
16. The present value of Rs 500,000 at the end of each year forever at a 12 percent simple rate is:
- Rs 450,000
 - Rs 350,000
 - Rs 416,666.67
 - Rs 516,666.67
17. The effective annual rate of a 12 percent simple rate with monthly compounding is:
- 12.24%
 - 12.25%
 - 12.78%
 - 12.68%
18. The value of inventory using 360 days in a year is Rs.....if the cost of goods sold is Rs 1,00,000 and the inventory conversion period is 40 days.
- 11,111.11
 - 12,111.12
 - 13,111.13
 - 10,111.10

19. The inventory conversion period isif the inventory turnover is 8 days and the working days in a year is 360.
- a. 36 days.
 - b. 45 days.
 - c. 50 days.
 - d. 55 days.
20. The risk-free rate is 5 percent and the expected return of the market portfolio is 15 percent. What is the cost of equity using CAPM assuming the beta is 1.2?
- a. 18 percent.
 - b. 20 percent
 - c. 17 percent.
 - d. 10 percent.

Mid-West University
Examinations Management Office
Surkhet, Nepal
Final Examination-2079
Master of Business Administration (MBA)
Semester - II

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

Course Code: MGT 524
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. Why is wealth maximization objective is superior to the profit maximization objective? Comment. [6]
2. Krishna has just won the state lottery and has three award options to choose from. He can elect to receive a lump sum payment today of Rs 61 million, 10 annual end-of-year payments of Rs 9.5 million, or 30 annual end-of-year payments of Rs 5.5 million. If he expects to earn a 7 percent annual return on his investments, which option should he choose? [6]
3. Isha Asian Paints Corporation has a target capital structure of 40 percent debt and 60 percent common equity. The company's before-tax cost of debt is 12 percent and its marginal tax rate is 40 percent. The current stock price is Rs 22.50; the last dividend was Rs 2.00, and the dividend is expected to grow at a constant rate of 7 percent. What will be the firm's cost of common equity and its WACC? [6]
4. The Family Tiger Battery Corporation is spontaneous debt assets financed such as notes payables and marketable securities. Rests of the assets are financed with spontaneous current liabilities. The corporation turns out 1600 automobile batteries a day at a cost of Rs 3,500 per battery for materials and labor. It takes the corporation 24 days to convert raw materials into a battery. The corporation allows its customers 40 days in which to pay for the batteries, and the corporation generally pays its suppliers in 30 days. Assume 360 days a year. [2]
 - a. What is the corporation's cash conversion cycle? [2]
 - b. If Corporation always produces and sells 1600 batteries a day, what amount of working capital must it finance? [2]
 - c. If the corporation could sell all the produced batteries at a price of Rs 4,000 per battery, what is the working capital turnover? [2]
5. Construct an amortization schedule for a Rs 25,000 amortized loan, repaid in equal installments at the end of each of the next 5 years assuming a 10 percent interest rate. [6]
6. Nepaagro Centre sells 300,000 bags of Nepaagro annually. The optimal safety stock (Which is on hand initially) is 1,500 bags. Each bag costs Rs 5, inventory carrying costs are 20 percent, and the cost of placing an order with its suppliers is Rs 30. [3]
 - a. What is the economic order quantity? [1]
 - b. What is the maximum inventory of fertilizer? [1]
 - c. What will the Center's average inventory be? [1]
 - d. How often must the Centre order? [1]
7. KK Inc. operates a mail order for doing business in the western region. KK receives an average of Rs 500,000 in payments per day. On average it takes 4 days from the time customers mail checks until KK receives and processes them. KK is considering the use of a lockbox system to reduce collection and processing float. The system will cost Rs 8,000 per month and will consist of 12 local depository banks and a concentration bank located in Kathmandu. Under this system, Customer's checks should be received at the lockbox locations 1 day after they are mailed, and daily totals will be transferred to Kathmandu using a wire transfer costing Rs 50. Assume that KK has an opportunity. Cost of 12 percent and that there are 5 working days in a week and 52 weeks in a year. [2.5]
 - a. What is the total annual cost of operating the lockbox system? [2.5]
 - b. What is the annual benefit of the lockbox system to KK? [2.5]
 - c. Should KK initiate the system? [1]

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

Answer any TWO questions:

8. Define capital structure. What are the factors that influence capital structure? Describe. [3+12]
9. XYZ Company is planning to install a new production facility. The required plant and equipment for the new production unit will cost Rs. 960,000. In addition to the price of the plant and equipment, it will have to pay Rs. 40,000 for shipment and Rs. 100,000 for installation of the plant and equipment. It will need an additional investment of Rs 120,000 in working capital. The new production unit will generate Rs. 750,000 sales revenue in each year for 5 years and operating cost excluding depreciation will be Rs. 450,000 each year. The company will follow the straight-line depreciation method to depreciate the plant and equipment. At the end of the fifth year, the plant and equipment will have Rs. 100,000 book value but it will be worth for Rs. 150,000 in the market. The company's marginal corporate tax rate is 30%. The company's required rate of return is 10%.
- What will be the initial cash outlay? [5]
 - What will be the annual operating cash flow of the new production unit? [5]
 - What will be the final year's cash flows of the production unit? [5]
10. ABC Construction Company has the following capital structure, which considers to be optimal:
- | | |
|-----------------|-----------|
| Debt | 30% |
| Preferred stock | 20 |
| Common equity | <u>50</u> |
| | 100% |

ABC can obtain new capital in the following ways:

Common equity: ABC's federal-plus-state tax rate is 40 percent, and investors expect earnings and dividends to grow at a constant rate of 9 percent in the future. ABC paid a dividend of Rs 3.60 per share last year, and its stock currently sells at a price of Rs 54 per share.

Preferred: New preferred stock with a dividend of Rs 11 can be sold to the public at a price of Rs 95 per share.

Debt: Debt can be sold at an interest rate of 12 percent.

Assuming the federal-plus-state tax rate of ABC is 40 percent,

- Determine the cost of each capital structure component. [12]
- Calculate the weighted average cost of capital. [3]

SECTION D: CASE STUDY (20 MARKS)

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

You are a financial analyst for Damak Engineering Company. The director of capital budgeting has asked you to analyze two proposed capital investments, projects X and Y. Each project has a cost of Rs 10,000, and the required rate of return for each project is 12 percent. The projects' expected net cash flows are as follows:

Expected Net Cash Flows

Year	Project X	Project Y
0	Rs (10,000)	Rs (10,000)
1	3,500	6,500
2	3,500	3,000
3	3,500	2,000
4	3,500	1,000

Calculate:

- Payback period of both projects. [3]
- The discounted payback period for both projects. [5]
- Net present value of both projects. [5]
- Internal rate of return of both projects. [5]
- Which project or projects should be accepted if they are independent? mutually exclusive? [2]

THE END

Mid-West University
Examinations Management Office
Surkhet, Nepal
Final Examination-2079
Master of Business Administration (MBA)
Semester - II

R.No.....

Subject: Human Resource Management
Full Marks: 100 Pass Marks: 50

Course Code: MGT 525
Time: 4:00 Hours

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

Tick the best answers.

1. What is the first step in the recruitment and selection process?
 - a. performing initial screening interviews
 - b. building a pool of candidates
 - c. performing candidate background checks
 - d. deciding what positions to fill
2. Which one of the following terms refers to the background investigations, tests and physical exams that firms use to identify viable candidate for a job?
 - a. selection tools
 - b. job analysis methods
 - c. personnel techniques
 - d. forecasting tools
3. All of the following topics are typically addressed during employee orientation EXCEPT
 - a. employee benefits
 - b. personnel policies
 - c. work behavior expectations
 - d. wage curves
4. The methods used to give new or present employees the skills they need to perform their jobs are called
 - a. orientation
 - b. training
 - c. development
 - d. management
5. MAX Enterprises failed to provide adequate safety training to one of its employees. As a result, the employee harmed a customer. A court would most likely find MAX liable for
 - a. discrimination
 - b. negligent training
 - c. occupational fraud
 - d. hazardous training
6. Which one of the followings will most likely NOT help employers protect themselves against the charges of negligent training?
 - a. confirming an employee's claims of skill and experience
 - b. providing extensive and appropriate training
 - c. evaluating the effectiveness of the training
 - d. paying employees for their training time
7. identifies the training employees will need to fill future jobs.
 - a. Competency modeling
 - b. Performance analysis
 - c. Strategic training needs analysis
 - d. Screening
8. Dorjee, an HR manager, is currently identifying the specific knowledge and skills required for a telemarketing position at Tibet Enterprises. Dorjee is most likely involved in which of the following?
 - a. Task analysis
 - b. Program evaluation
 - c. Employee development
 - d. Screening
9. Laxmi, an accounting supervisor, has been asked to provide a training for her subordinates about new tax laws. In order to motivate the individuals who attend her training session, Laxmi should most likely do all of the following EXCEPT
 - a. use as many visual aids as possible during the session
 - b. provide an overview of the material to be covered
 - c. use new terminology and technical concepts

- d. give information in logical, meaningful sections
10. The process of verifying that there is a performance deficiency and determining if such deficiencies should be corrected through training or through some other means is called _____
- a. needs analysis
 - b. training assessment
 - c. performance analysis
 - d. performance appraisal
11. Which one of the followings best describes the first step in a performance analysis?
- a. Comparing a person's actual performance to the ideal performance
 - b. Investigating employee-related customer complaints
 - c. Evaluating supervisor performance reviews
 - d. Conducting job knowledge assessments
12. Kumar, a new accounts representative at Martin Marketing, is learning the job by actually doing job-related tasks such as contacting customers. Kumar is most likely participating in _____
- a. on-the-job training
 - b. socializing
 - c. social learning
 - d. modeling
13. One of the _____ functions of a human resource manager includes directing the activities of his or her subordinates in the HR department.
- a. coordinative
 - b. corporate
 - c. staff
 - d. line
14. Saraswati works at a position in her organisation where she maintains contacts within the local community and travels to search for qualified job applicants. Saraswati's position is best described as:
- a. recruiter
 - b. manager
 - c. labor relations specialist
 - d. job analyst
15. All of the followings are the major areas in which an HR manager assists and advises line managers EXCEPT _____
- a. recruiting
 - b. hiring
 - c. strategic business planning
 - d. compensation
16. The HR staff member who has the job of advising management on all aspects of union-management aspects is the _____
- a. recruiter
 - b. line manager
 - c. compensation manager
 - d. labor relations specialist
17. All of the followings are the examples of human resource specialists EXCEPT _____
- a. job analyst
 - b. financial advisor
 - c. compensation manager
 - d. labor relations specialist
18. Ramesh works in the HR department and is in charge of developing the plans for how people are paid and how the employee benefits program is run. Ramesh is most likely holding the position of:
- a. training specialist
 - b. recruiter
 - c. compensation manager
 - d. job analyst
19. Which one of the following human resource management specialties calls for collecting data to write job descriptions?
- a. job analyst
 - b. job training specialist
 - c. compensation manager
 - d. EEO coordinator
20. Which one of the following areas is NOT a major area where human resource managers assist and advise line managers?
- a. Recruiting
 - b. Hiring
 - c. Compensation
 - d. Performance management

Mid-West University
Examinations Management Office
Surkhet, Nepal
Final Examination-2079
Master of Business Administration (MBA)
Semester - II

Subject: Human Resource Management
Full Marks: 100 Pass Marks: 50

Course Code: MGT 525
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. Why do workers organize labor movement? [6]
2. Briefly discuss the pros and cons of internal and external job recruitment. [6]
3. Define collective bargaining and good faith bargaining. [6]
4. Differentiate between job enrichment and job enlargement. [6]
5. What causes accidents at workplace? [6]
6. What are the major types of employee benefits offered in Nepalese organizations? [6]
7. Briefly discuss sexual harassment at workplace. [6]

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

Answer any **TWO** questions:

8. Managers conveniently think of a typical training or development programme as consisting of five steps. Explain each step in detail. [15]
9. Diversity is taking the Human Resources (HR) world by storm; many life science organizations are recognizing the benefits of a diverse workforce. Discuss in detail. [15]
10. Discuss the challenges and opportunities human resource managers are facing due to Covid pandemic. [15]

SECTION D: CASE STUDY (20 MARKS)

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

Case Study: Performance Appraisal at Yarra Bank

James De Lisle, a newly appointed graduate, is a staff development officer in the Melbourne head office of Yarra Bank. One of a team of six, James and the other staff development officers are responsible for preparing and conducting middle-level management development and training programs. Henry Austin is the manager. Aged 54 years and with 39 years' service, Henry is somewhat of a legend in the bank. Bluff, autocratic and demanding, Henry is uncomfortable with younger, better-educated employees and their perceived lack of respect. As a result, he is quick to squelch any criticism or questioning of his decisions.

Just before lunch one day, James was shocked when Henry entered the staff development office and flicked an appraisal form onto each officer's desk. 'Read these and have the signed copies on my desk by two o'clock. Any questions? Good. And don't forget – signed and delivered by two o'clock'. After Henry left, James turned to his colleagues and asked, 'He isn't serious, is he? This isn't a performance appraisal, it's a joke! Ken Yeo, a bank veteran of 30 years, smiled. 'He wasn't joking, mate. You've just had your appraisal and you had better like it because that's all you're going to get!'

Questions

- a. If you were James, what would you do? Compare any two formal and predetermined appraisal methods. [10]
- b. If you were the HR manager for Yarra Bank, how would you rectify this situation? Discuss any two rating scale appraisal problems. [10]

THE END

Mid-West University
Examinations Management Office
Surkhet, Nepal
Final Examination-2079
Master of Business Administration (MBA)
Semester - II

R.No.....

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

Course Code: MGT 526
Time: 4:00 Hours

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

Tick the best answers.

1. One's reliability regarding responsibility; being self-disciplined, hardworking, organized, dependable, persistent is _____.
 - a. extraversion
 - b. conscientiousness
 - c. perceptiveness
 - d. intuiting
2. Factors that may prevent dissatisfaction is
 - a. motivators
 - b. intrinsic needs
 - c. hygiene factor
 - d. achievement
3. _____ is the effect forming a fixed opinion or attitude towards a single person or object.
 - a. Horn
 - b. Stereotyping
 - c. Halo
 - d. Profiling
4. Sadaf has a low absenteeism rate. She takes the responsibility for his health and has good health habits. She is likely to have a(an):
 - a. internal locus of control
 - b. external locus of control
 - c. core locus of control
 - d. high emotional stability level
5. The purpose of job enrichment is to
 - a. expand the number of tasks an individual can do
 - b. increase job efficiency
 - c. increase job effectiveness
 - d. increase job satisfaction of middle management
6. The determinants of personality includes _____
 - a. heredity
 - b. environment
 - c. situation
 - d. all of these
7. Which one of the following options is correct regarding organisational cultures?
 - a. A stronger culture more influences the behaviour of the employee
 - b. A strong culture always means the more productive environment
 - c. A particular culture that brings positive effectiveness is better
 - d. A weak culture always means the more productive environment
8. Which are the big five traits of personality?
 - a. Extroversion, openness to experience, agreeableness, emotional stability, and conscientious
 - b. Agreeableness, courage, openness to experience, friendly, and emotional stability
 - c. Extroversion, agreeableness, emotional stability, friendly, and openness to experience
 - d. Agreeableness, emotional stability, easygoing, friendly, and courage
9. "Values determine the extent to which individuals accept organisational pressure and goals." This statement implies that
 - (I) Employees are not bothered by organisational values.
 - (II) Employees look for consistency between their values and organization's values.
 - (III) Employees may even quit the organization.
 - a. (I), (II), and (III) can be implied from the given statement.
 - b. (I) and (III) can only be implied from the given statement.
 - c. (II) and (III) can only be implied from the given statement.
 - d. (I) and (II) can only be implied from the given statement.

10. The _____ component of an attitude relates to opinions or beliefs.
- a. behavioural
 - b. affective
 - c. cognitive
 - d. organizational
11. _____ advocated that humans are essentially motivated by the levels of needs
- a. A. Maslow
 - b. Follet
 - c. Elton mayo
 - d. Ivon Pavlov
12. Components of Attitude can majorly be segregated in to _____ types
- a. 7
 - b. 4
 - c. 3
 - d. 6
13. _____ is a shared system of meaning among employees.
- a. Organizational systems
 - b. Collective sense making
 - c. Organizational culture
 - d. Cultural sensitivity
14. Seven tactics have been suggested for use by change agents in dealing with resistance to change. _____ is the application of direct threats or force on the resisters.
- a. Manipulation and cooptation
 - b. Participation
 - c. Education and communication
 - d. Coercion
15. Which is considered the most critical component of charismatic leadership?
- a. The leader's experience
 - b. The follower's readiness
 - c. a Vision
 - d. The environment
16. _____ refers to the degree to which one party attempts to satisfy the other party's concerns.
- a. Assertiveness
 - b. Cooperativeness
 - c. Agreeableness
 - d. Collaboration
17. The _____ combines two forms of departmentalization: functional and product.
- a. simple structure
 - b. virtual organization
 - c. bureaucracy
 - d. matrix structure
18. Which one of the followings is an individual level strategy for dealing with stress?
- a. Improving time management skills
 - b. Engaging in physical exercise
 - c. Learning relaxation techniques
 - d. All of the above
19. _____ is the process by which individuals organize and interpret their sensory impressions.
- a. Perception
 - b. Intuition
 - c. Analysis
 - d. Self-serving bias
20. Team effectiveness is dependent upon context, composition, work design, and process. _____ includes common purpose, specific goals, team efficacy, conflict levels, and social loafing.
- a. Context
 - b. Composition
 - c. Work design
 - d. Process

Mid-West University
Examinations Management Office
Surkhet, Nepal
Final Examination-2079
Master of Business Administration (MBA)
Semester - II

Subject: Organizational Behavior

Full Marks: 100 Pass Marks: 50

Course Code: MGT 526

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, in your own words, why you feel that employee attitudes are significant for desired behavior. Do you think that today's managers have overemphasized or underemphasized attitudes?
2. 'Behaviour is a function of positive and negative consequences.' Briefly explain the theory that supports this statement.
3. In your role as a student, do you feel that you are motivated more by Maslow's lower order or higher-order needs? Why? Describe how you expect motivation to change once you complete your MBA.
4. Briefly describe the barriers of effective communication in a multinational business organization.
5. 'Culture, language, and social status can also represent barriers to effective communication'. In the light of the statement, explain why managers need to be aware of these barriers and how to overcome them.
6. Present the different organisational structures that an organisations can adopt.
7. Think of a few conflicts you have been involved with recently. Which one of the following interpersonal conflict resolution approaches did you use? What was the result? Would another approach have been more helpful?

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

Answer any *TWO* questions:

8. 'Leadership is a process of influence the people in organization to regulate their behaviour as desired by the leaders'. Explain Fiedler's Contingency Theory in the light of the statement.
9. You have been put in charge of a cross-functional task force that will develop enhanced internet banking services for retail customers. The team includes representatives from marketing, information services, customer service, and accounting, all of whom will move to the same location at headquarters for three months. Describe the behaviors you might observe during each stage of the team's development.
10. How does organizational behavior impact on its performance? Describe. Also describe the outcomes of OB. [8+7]

SECTION D: CASE STUDY (20 MARKS)

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

Differing Perceptions at Clarkston Industries

Susan Harrington continued to drum her fingers on her desk. She had a real problem and wasn't sure what to do next. She had a lot of confidence in Jack Reed, but she suspected she was about the last person in the office who did. Perhaps if she ran through the entire story again in her mind she would see the solution.

Susan had been distribution manager for Clarkston Industries for almost twenty years. An early brush with the law and a short stay in prison had made her realize the importance of honesty and hard work. Henry Clarkston had given her a chance despite her record, and Susan had made the most of it. She now was one of the most respected managers in the company. Few people knew her background.

Susan had hired Jack Reed fresh out of prison six months ago. Susan understood how Jack felt when Jack tried to explain his past and asked for another chance. Susan decided to give him that chance just as Henry Clarkston had given her one. Jack eagerly accepted a job on the loading docks and could soon load a truck as fast as anyone in the crew.

Things had gone well at first. Everyone seemed to like Jack, and he made several new friends. Susan had been vaguely disturbed about two months ago, however, when another dock worker reported his wallet missing. She confronted Jack about this and was reassured when Jack understood her concern and earnestly but calmly asserted his innocence. Susan was especially relieved when the wallet was found a few days later.

The events of last week, however, had caused serious trouble. First, a new personnel clerk had come across records about Jack's past while updating employee files. Assuming that the information was common knowledge, the clerk had mentioned to several employees what a good thing it was to give ex-convicts like Jack a chance. The next day, someone in bookkeeping discovered some money missing from petty cash. Another worker claimed to have seen Jack in the area around the office strongbox, which was open during working hours, earlier that same day.

Most people assumed Jack was the thief. Even the worker whose wallet had been misplaced suggested that perhaps Jack had indeed stolen it but had returned it when questioned. Several employees had approached Susan and requested that Jack be fired. Meanwhile, when Susan had discussed the problem with Jack, Jack had been defensive and sullen and said little about the petty-cash situation other than to deny stealing the money.

To her dismay, Susan found that rethinking the story did little to solve his problem. Should she fire Jack? The evidence, of course, was purely circumstantial, yet everybody else seemed to see things quite clearly. Susan feared that if she did not fire Jack, she would lose everyone's trust and that some people might even begin to question her own motives.

Questions:

- a. Explain the events in this case in linking perception and attitude. Does personality play a role?
- b. What should Susan do? Should she fire Jack or give him another chance? Why?

THE END