

CBCS SCHEME

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18ES51

Fifth Semester B.E. Degree Examination, Jan./Feb. 2021 Technological Innovation Management and Entrepreneurship

Time: 3 hrs.

Max. Marks: 100

Note: Answer any FIVE full questions, choosing ONE full question from each module.

Module-1

- 1 a. Give different definitions of management as interpreted by management scholars. (07 Marks)
b. Discuss modern approaches of management. (06 Marks)
c. Describe the levels of management. (07 Marks)

OR

- 2 a. Discuss various steps involved in planning. (07 Marks)
b. List some of the standing plans and single use plans and explain. (06 Marks)
c. Explain steps involved in rational decision making. (07 Marks)

Module-2

- 3 a. Explain principles of organization. (07 Marks)
b. Discuss factors affecting span of management. (06 Marks)
c. Distinguish between Job Analysis, Job description and Job specification. (07 Marks)

OR

- 4 a. Illustrate Maslow's theory of hierarchy of needs. (07 Marks)
b. Discuss essentials of effective control system. (06 Marks)
c. Describe different leadership styles from authority point of view. (07 Marks)

Module-3

- 5 a. Discuss the benefits of social audit. (07 Marks)
b. What do you understand by business ethics? What are the factors which affect the decision is ethical or unethical? (06 Marks)
c. Describe Corporate Governance. Explain the benefits of Corporate Governance. (07 Marks)

OR

- 6 a. Identify different types of barriers to Entrepreneurship. (07 Marks)
b. Explain the need of capacity building to Entrepreneurship. (06 Marks)
c. Discuss the contribution of Entrepreneurship Development cycle. (07 Marks)

Module-4

- 7 a. Explain in brief, the characteristics of family owned business in India. (07 Marks)
b. Discuss "13-circle" model of family business. (06 Marks)
c. What are the various types of family business? Explain. (07 Marks)

Important Note : 1. On completing your answers, compulsorily draw diagonal cross lines on the remaining blank pages.
2. Any revealing of identification, appeal to evaluator and/or equations written eg. 42+8 = 50, will be treated as malpractice.

OR

- 8 a. List four fundamental features of business opportunities and explain. (07 Marks)
b. Describe various methods of generating new ideas. (06 Marks)
c. Explain market entry strategies. (07 Marks)

Module-5

- 9 a. Explain the need and scope of business plan. (07 Marks)
b. List the contents of a business plan and explain. (06 Marks)
c. Discuss the role of Angel Investors and Debt financing in financing a business. (07 Marks)

OR

- 10 a. Explain the growth and development of MSME in India. (07 Marks)
b. Explain the importance of Network Analysis in project design and execution. (06 Marks)
c. Compare and Contrast Program Evaluation Review Technique (PERT) with Critical Path Method (CPM). (07 Marks)

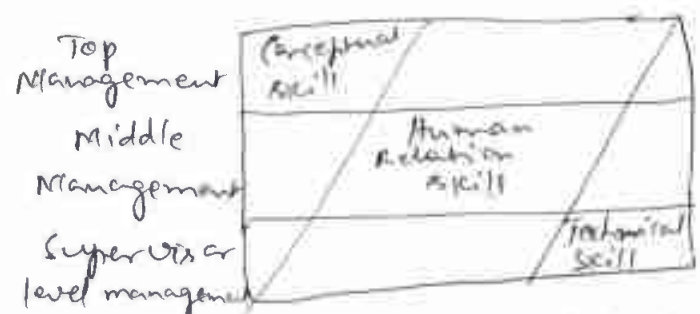
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18ES51/EC51

Scheme & Solutions

Subject Title: Technological Innovation in Management ^{Entrepreneurship} Subject Code: 18ES51

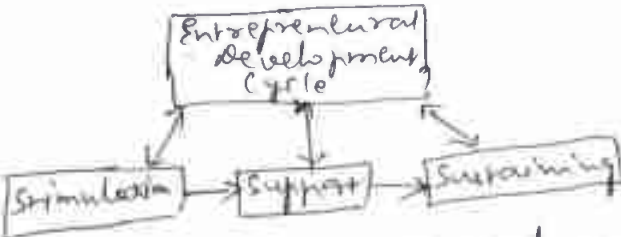
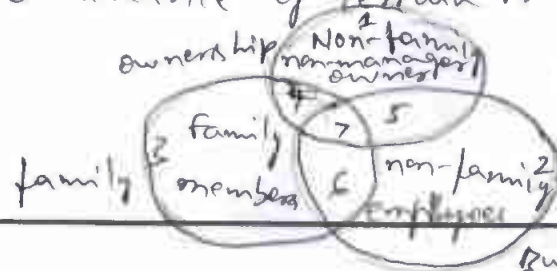
Question Number	Solution	Marks Allocated
1.a	<p>(i) "Management is a critical element in the economic growth of a country" By Peter Drucker</p> <p>(ii) "Management is the dynamic, life-giving element in every organization" By Claude S. George</p> <p>(iii) "Management is the art of getting things done through people" By Mary Parker Follet.</p> <p>(iv) "Management is a process consisting of planning, organizing, actuating and controlling performed to determine and accomplish the objectives by the use of people and resources" George R. Terry.</p> <p>4 definitions with explanation - 7 marks.</p>	7
b.	<p>(i) Quantitative Approach: It is called as modern science approach. Operations Research (OR) analyzing operations, mathematical model to simulate problem. Quantitative tools and techniques are used to make rational decisions.</p> <p>(ii) Systems Approach: concepts of this approach: * A system is a set of interdependent parts * concept of "holism" * A system can be either closed or open * Every system has a boundary</p> <p>(iii) Contingency Approach: According to this approach management principles and concepts have no general and universal applicability. Manager need to identify which technique will in a particular situation best contributed to the attainment of management tools like situational sensitivity and practical selectivity</p>	6

Question Number	Solution	Marks Allocated
c.	 <p style="text-align: right;">with explanation - 7 marks</p>	7
2.a.	<p>Steps of planning</p> <ol style="list-style-type: none"> 1. Establishing verifiable goals or set of goals to be achieved 2. Establishing planning premises <ul style="list-style-type: none"> (i) Internal & external (ii) Tangible & Intangible (iii) controllable & uncontrollable 3. Deciding the planning period 4. Finding alternative courses of action 5. Evaluating and selecting a course of action 6. Developing alternative plans. 7. Measuring and controlling the progress <p style="text-align: right;">with explanation - 7 marks</p>	7
b.	<p>Standing plans:</p> <ol style="list-style-type: none"> (i) Policies: Guidelines for decision making (ii) Procedures: Detailed set of instructions (iii) Methods: One step of a procedure to be performed. (iv) Rules: Detailed and recorded instructions that a specific action must or must not be performed in any given situation. <p>Single use plans:</p> <ol style="list-style-type: none"> (i) Programs: precise plans (ii) Budgets: plans for a future period of time, money, man-hours etc. 	6
c.	<p>Steps in decision making</p> <ol style="list-style-type: none"> 1. Recognizing the problem 2. Deciding priorities among problems 3. Diagnosing the problem 4. Developing alternative solutions 5. Measuring and comparing consequences of alternative solutions 6. Converting the decision into effective action 7. Follow up <p style="text-align: right;">Flow diagram - 2 marks Explanation - 5 marks</p>	7

Question Number	Solution	Marks Allocated
3. a.	<p>principles of organization objectives, Specification, Span of control, Management by exception, Scalar principle, Unity of command, Management by objectives, Unity of direction, Delegation of Authority, Responsibility, Authority flexibility and Efficiency.</p> <p style="text-align: right;">with explanation - 7 marks</p> <p>b. Span of management affects the efficient utilization of managers and the effective performance of the subordinates.</p> <p>Appropriate Span:</p> <p>Direct one-to-one relations, group relationship cross relationship $\Rightarrow n \left[\frac{2^n}{2} + n - 1 \right]$ n: no. of subordinates</p> <p>Factors governing the span of management</p> <ol style="list-style-type: none"> 1. Ability of the manager and employee 2. Type of work 3. Geographic Location 4. Well defined authority and responsibility 5. Sophisticated Information control system 6. Level of Management. 7. Economic Considerations. <p>c. Job Analysis: present method and procedures of doing a job, physical conditions, relation of the job to other jobs and other conditions of management. Job analysis is what is actually done.</p> <p>Job description: The results of job analysis are set down in job description. Job description for workers clerks, supervisors, managers can be framed and Role analysis techniques consists of all aspects of work.</p> <p>Job specification: is a statement of the minimum acceptable human qualities necessary to perform a job satisfactorily. Ability and qualities that a worker should possess in order to hold the job.</p>	7
4. a.	<div style="display: flex; justify-content: space-around; align-items: center;"> <div style="border: 1px solid black; padding: 5px;">Social</div> <div style="border: 1px solid black; padding: 5px;">Love or to be loved</div> <div style="border: 1px solid black; padding: 5px;">Esteem</div> <div style="border: 1px solid black; padding: 5px;">Respect, prestige</div> <div style="border: 1px solid black; padding: 5px;">Self Realization</div> <div style="border: 1px solid black; padding: 5px;">Realizing capabilities</div> </div> <p style="text-align: center;">Free from economic threat</p> <p style="text-align: center;">Safety security</p> <p style="text-align: center;">Basic physical, logical needs</p> <p style="text-align: center;">Security, survival, disease</p> <p style="text-align: center;">Food shelter</p>	7

Dia - 3 marks
 Explanation - 4 marks

Question Number	Solution	Marks Allocated
4.b.	<p>Essentials of Effective control system</p> <ol style="list-style-type: none"> 1. Suitability 2. Timely and forward looking 3. Objective and comprehensible 4. Flexible 5. Economic 6. prescriptive and operational. 7. Acceptable to members 8. Motivate people. <p>7. Reveals exceptions at strategic points with explanation - 7 marks.</p>	6
c.	<ol style="list-style-type: none"> 1. Autocratic: Leader alone determines policies and makes plans. He demands obedience and relies on power. Employee are remains under constant fear. Appropriate during emergency, it increases efficiency 2. Democratic: participative or person-oriented accepts responsibility for goal setting and achievement. This leadership permits and encourages people to develop, grow and rise in the organization 3. Free Rein: Leader exercises absolutely no control. 	7
5.a.	<p>Benefits of social audit:</p> <ol style="list-style-type: none"> 1. It supplies data for comparison with the organization's social policies and standards. 2. It develop a sense of social awareness among employees 3. It provides data for comparing the effectiveness of different types of programmes. 4. It provides data about the cost of social programmes 5. It provides information for effective response to external groups 	7
b.	<p>Business ethics is the application of moral principles to business problems. Ethics extends beyond the question of legality.</p> <p>Four factors which affects ethics</p> <ol style="list-style-type: none"> 1. Government legislation 2. Business codes 3. Pressure groups 4. Personal values of Manager. 	6
c.	<p>Corporate Governance is used to denote the extent to which companies run in an open and honest manner in the best interest of all stake-holders.</p> <p>Benefits:</p> <ol style="list-style-type: none"> 1. It creates overall market confidence and long term trust in the company. 2. It leads to an increase in company's share prices 3. It ensures integrity of company's financial reports. 4. Maximizes corporate security by acting as a whistle blower 5. It limits liability to top management 6. It improves strategic thinking at the top. 	7
6.a.	<p>Barriers to entrepreneurship: Access to capital Regulatory and policy barriers, Inadequate skills and training, cultural and mindset barriers Access to markets, weak support systems.</p>	4

Question Number	Solution	Marks Allocated
6.b	<p>Capacity building: To be successful entrepreneurs individuals must build capacities in four key strategic areas - Operations, Management, Financial management and personal capacities.</p> <ol style="list-style-type: none"> 1) Operational capacity building: Good understanding of industry and business at ground level how to lead organize and plan for operations. 2) Management capacity building: Gaining managerial experience, managing operations, resources and people. 3) Financial management capacity building: Able to accurately estimate and build financial statements 4) Personal capacity building: Demonstrating strong traits such as, dedication, perseverance, ambition, determination, strong-will, openness, honesty, transparency, fairness etc. 	6
6.c	<div style="display: flex; align-items: flex-start;"> <div style="flex: 1;">  <pre> graph TD A[Entrepreneurial Development Cycle] --> B[Stimulus] A --> C[Support] A --> D[Sustaining] B --> C C --> D </pre> </div> <div style="flex: 1; padding-left: 20px;"> <p>Entrepreneurial development cycle is the combination of all support activities and assistance that are conducted and provided continuously for the development of entrepreneurship.</p> <p>Three types of assistance</p> <ol style="list-style-type: none"> 1. Stimulating assistance: To rouse to action, enact a policy that stimulate people to protect incentives to stimulate consumer spending. 2. Supportive assistance: To be supportive or help 3. Sustaining assistance: practices that enable self sustainability, includes autonomous building, sustainable agriculture, renewable energy etc. </div> </div>	7
7.a	<p>Importance of family relationship composition of board of directors loyalty dedication of family members male dominated Dominance of certain trading commodities.</p> <p>with explanation - frames</p>	7
b.	<div style="display: flex; align-items: center;"> <div style="flex: 1;">  </div> <div style="flex: 2; padding-left: 20px;"> <ol style="list-style-type: none"> 1. Governance of family system 2. Governance of business system 3. Governance of ownership system </div> </div>	6

Question Number	Solution	Marks Allocated
7.c.	1. family owned business 2. family owned and managed business 3. family owned and led company [with explanation]	7
8.a.)	1) They create and add significant values to customer 2) They solve a significant problem by removing pain points or meeting a significant want or need for which someone is willing to pay premium. 3) They have a robust market, margin, and money making characteristics that will allow the entrepreneur to estimate and communicate sustainable value to potential stake holders. 4. They are good fit with the founders and management teams at the time.	7
8.b)	1. Brain storming, survey method, Reverse brain storming, The 'Garden' method with explanation - 6 marks	6
c.	Market entry strategy: 1) Direct exporting 2) Licensing 3) Franchising 4) Joint ventures 5) Joint ventures 6) Buying a company 7) Piggy back 8) Turnkey projects with explanation - 7 marks	7
9.a.	Need and scope of business plan: Business plan is a road map and blue print of the project. A written document that describe in detail how a business is going to achieve its goals. * Entrepreneurs reap benefits from the planning activity itself. * Business plan used to get finance from banks * Used to attract business partner and business alliance * A basis for measuring actual performance * A vehicle for communicating to others if u trying to accomplish	7
b.	Contents of business plan. - Cover page executive summary, Business concept, Business strategy, management summary, Marketing plan: value proposition, operations plan, financial plan, Appendix. [with explanation] - 6 marks	6
c.	Angel investors: are wealthy individuals who invest in entrepreneurial firms, usually doing start up. Angels invest their money and actively mentor the company. Angels usually expect a lower return on investment than venture capital firms.	7

Debt financing: money that u borrowed to run the business. Borrowing money from a source outside the company eg. Term loans, debentures.

Question Number	Solution	Marks Allocated		
10-a)	<p>MSME (Micro small medium enterprise) sectors registered a steady growth for the period of 1992-2006 in the number of units, investment, production, employment, and exports. MSME units rose from 123.4 lakh in 2005-06 to 261.01 lakh in 2006-07 with explanation</p>	7		
b)	<p>A project has divided into many small activities and these activities can be analysed with the help of network technique to achieve the objectives of the project.</p> <ul style="list-style-type: none"> * Network analysis helps management to minimize the total cost and total maintenance time. * It ensure effective utilization of limited resource * It facilitates co-ordination among the activities. * Time management * It helps in planning, scheduling & controlling the activities of the project. * It also creates interdependence and inter-relationship of various activities of the project. 	6		
c)	<table border="0" style="width: 100%;"> <tr> <td style="width: 50%; vertical-align: top;"> <p><u>PERT</u></p> <ol style="list-style-type: none"> 1) origin is military 2) Event oriented approach 3) There is allowance for uncertainty 4) It has 3 estimates 5) It is a probabilistic method 6) Time is averaged </td> <td style="width: 50%; vertical-align: top;"> <p><u>CPM</u></p> <ol style="list-style-type: none"> 1) origin is industry 2) Activity oriented system 3) No allowance of uncertainty 4) There is only one estimate of time & emphasis on cost 5) It marks critical activities 6) No averaging of Time. </td> </tr> </table>	<p><u>PERT</u></p> <ol style="list-style-type: none"> 1) origin is military 2) Event oriented approach 3) There is allowance for uncertainty 4) It has 3 estimates 5) It is a probabilistic method 6) Time is averaged 	<p><u>CPM</u></p> <ol style="list-style-type: none"> 1) origin is industry 2) Activity oriented system 3) No allowance of uncertainty 4) There is only one estimate of time & emphasis on cost 5) It marks critical activities 6) No averaging of Time. 	7
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