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Internal Assessment Test – III

Sub:  
Management & Entrepreneurship  
Code:

15CS51

23.11.18

90 mins

50

Date:

Duration:

Max Marks:

Sem:

- Br
- 1
- ERP Systems
1. ERP systems are large scale, end-to-end business processing systems.
  2. ERP systems provide easy and secure access to information in a real-time environment.
  3. ERP systems are function-rich and integrate majority of a business's processes and operations.
  4. ERP systems affect major departments in a company and tend to create changes in many business processes of the organization.
  5. ERP systems are commercial software packages that are either designed as mainframe applications or designed to work on a client server environment.
  6. An ERP software package can be customized to suit the specific business's needs of any organization.
  7. ERP systems provide support for multiple currencies and languages.
  8. An ERP system makes use of an enterprise-wide database to provide timely, relevant and shared information in an easy-to-use format.
- Compulsory**
- (a)

Discuss how ERP is important for effective management in an Organization

(5 Marks for Any 5 explained points)

[05]

CO2  
L2  
(b)

Explain the various components of Report.

(5 Marks for Any 5 explained points)

A Project Report needs to be done / prepared with great care & consideration. The Important Contents of a Good Project Report are given below :

- a) **General Information** :  
Information on Product Profile & Product Details.
- b) **Promoter(s)** :

His / Her / Their Educational Qualification , Work Experience , Project related experience, special achievements.

c) **Location :**

Exact proposed location of the Project, lease or freehold, locational advantages.

d) **Land & Building :**

Land areas, built up area, type of construction, cost of construction, detailed plan & cost estimate along with Plant layout.

e) **Plant & Machinery :**

Details of Machinery reqd , Capacity, Suppliers, Cost, Various Alternatives Available, Cost of other Miscellaneous Assets.

f) **Production Process :**

Description of Production Process , Process Chart, Technical Know How, Technology Alternatives Available, Production Programme etc

g) **Utilities :**

Water , Power, Steam, Compressed Air Requirements, Fuel, Coal / Oil etc., Cost Estimates, Sources of Utilities.

h) **Transport & Communication :**

Mode, its associated Costs.

i) **Raw Material :**

List of Raw Materials reqd by Quality & Quantity , Sources of Procurement, Cost of Raw Materials, Tie Up Arrangements, if any , for Procurement of Raw Materials, Alternative Raw Materials , if any.

j) **Man Power :**

The Requirement such as Skilled, Semi Skilled, & Un Skilled (Helpers), Places of Manpower Availability, requirement of Training & its Cost.

k) **Products**

Product Mix, Product Standard, Estimated Production & Sales Figures, Alternative Product Substitutes , if any.

l) **Market :**

End – Users of Products, Distribution of Market as Local, National, International, Trade Practices, Sales Promotion devices etc..

[05]

2 (a)

Explain with example, the Finance and HR Module of ERP

5 +5 For Finance and HR Diagram and explanation

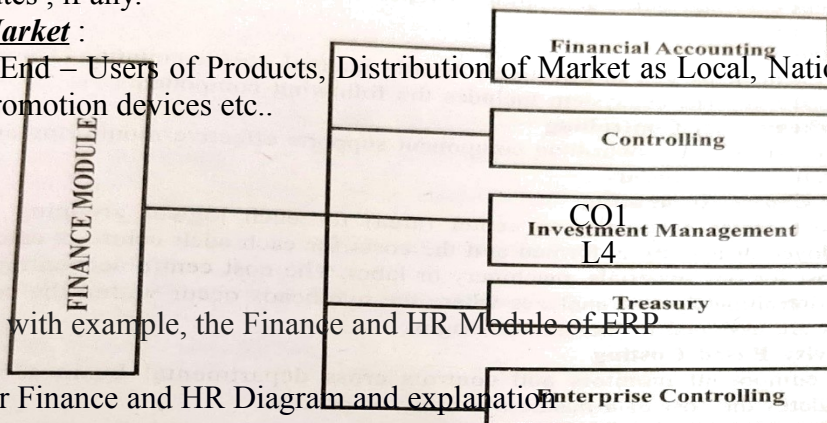


Fig. 4.2. Finance module

[10]

CO2

L5

1. **Financial Accounting**

The financial accounting system helps to keep track of financial data within an international framework of multiple languages, currencies and companies. Compliance with international accounting standards such as GAAP and IAS as well as local legal requirements are generally provided by the subsystem.

The Financial accounting subsystem includes the following components:

i. **General Ledger**

General ledger provides support to all functions required in a financial accounting system such as real time simultaneous update of general ledger and sub-ledgers. It also facilitates parallel views of data in the general ledger and managerial accounting applications.

ii. **Accounts Receivable and Payable**

It facilitates payment automation with EFT (electronic funds transfer), document management, flexible reporting and an enterprise-wide credit management with workflow integration.

iii. **Asset Accounting**

The asset accounting component supports the management of machinery and equipment, leased assets, assets under construction and mass processing with work

## 4.6 HUMAN RESOURCE

The human resource module offers easy access to employee data for personnel administration. The module also supports recruitment, travel management, payroll processing and personnel development.

Human resource module has the following components (as shown in the Figure 4.6):

### 1. Payroll accounting

The component provides payroll functions. Payroll processing can be centralized or decentralized based on country or legal entities. The subsystem adapts itself to the policy changes, if any.

### 2. Time Management

The subsystem facilitates daily processing of employee time data to determine the working hours of the employee. It also supports calculation of wages and incentives based on the employee time data. The shift planning component within time management assists in planning workforce requirements quickly. Employees can be assigned to the work area where they are required.

### 3. Personnel Development

The component automates the process of matching the qualification of employees and external candidates with the job requirements. It also facilitates planning and management of training.

### 4. Organizational Management

The module's graphical organizational charts enable the company to review its organizational structure easily.

### 5. Personnel Management

The module provides a centralized employee database that facilitates personnel administration and recruitment processes to be carried out more efficiently.

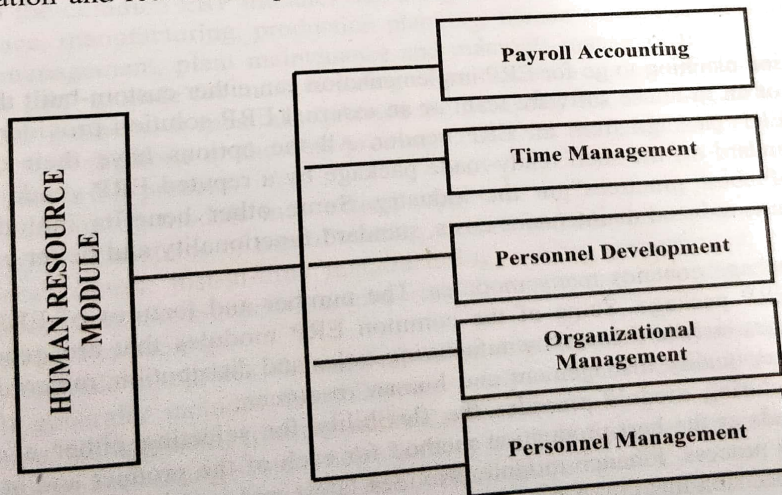


Fig. 4.6. Human Resource Module

3 (a)

List the various types of Report **with examples**

(Any 5 types with examples- 5+5 marks)

Report writing needs to fall into the following categories:

Forms: such as invoices, order acknowledgments, purchase orders, receivables statements, payables checks, etc.

Managed reports : produced on a reoccurring basis

Ad hoc reports :that are usually one-time, “I need this information now” reports

Analytical reports :that show data and help analyze what is happening

Executive dashboards : that provide a snapshot of business performance against the company’s key performance indicators (KPIs)

All of these items need to be considered in a comprehensive report writing strategy that identifies needs at all levels, report-writing tools, data deployment (data warehouse versus data marts), and report deployment methods.

[10]  
CO1  
L1

CO1  
L2

4 (a)

What do you understand with the term "Small Enterprise", discuss.

Definition of SSI (2.5 Marks for Definition, 2.5 Marks for explanation)

Conventional Definition: cottage and handicraft industries that employ conventional labour-oriented methods to produce conventional products, mainly in the rural areas. Some examples are handloom and handicrafts.

• Operational definition: “all the undertakings having an investment in fixed assets in plant and machinery, whether held on ownership terms or by lease or hire-purpose, not exceeding Rs. 60 lakhs”.

[05]  
CO1  
L2  
(b)

List the advantages of small enterprise. (5 marks for any 5)

Advantages of SSIs

- i. SSIs don’t require to a high level of technology.
- ii. They do not require large capital
- iii. The source and capabilities of under employed and un employed people can be used for productive purpose.
- iv. The project related to SSIs can be completed in short period and hence become productive in a short period.
- v. SSIs can be based on the processing of locally produced raw materials like agriculture goods, forest and mineral resources etc.
- vi. Possibility of earning and saving foreign exchange by exporting goods produced from local resources

[05]  
CO3  
L1

. Analyze in detail the various steps involved in establishing micro enterprise (10 marks for all steps)

#### STEPS TO START A SSI

The various steps involved in starting a SSI are

- i) Selection of industry
- ii) Arrange for know-how/technology
- iii) Study of resource requirement
- iv) Selection of land and premises
- v) Study of investment requirement
- vi) Study of requirement of plant and equipment
- vii) Study of requirement of raw material and sources of supply.
- viii) Study of economic viability like marketing and pricing strategy, financing ,staffing ,SWOT analysis,break even analysis , return on investment etc. [10]
- ix) Preparation of project report
- x) Application to financial institutions for loan for fixed assets and working capital
- xi) Application to directorate of industries for No Objection Certificate , Registration as SSI , power and permission.
- xii) Get NOC and permission from local body (municipality / village panchayat / corporation)

5 (a)





