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**MBAH 551**

**Fourth Semester M.B.A. Degree Examination, October 2021**

**(Regular & Repeater)**

**BUSINESS ADMINISTRATION**

**Strategic Management**

Time : 3 Hours

Max. Marks : 70

**SECTION – A**

**(1×15=15)**

**(Compulsory)**

**Note :** Answer to the question should **not** exceed **six** pages.

1. "Strategic evaluation and control is a process of achieving the organisational objectives and taking corrective actions wherever required." Critically analyse.

**SECTION – B**

**(5×8=40)**

**Note :** Answer **any five**, **each** question carries **8** marks. Answer to the question should **not** exceed **five** pages.

2. Describe the essential characteristics of mission statement. In what way can a mission statement be formulated ?
3. Which are the different aspects of environmental scanning necessary for identifying opportunities and threats in a company ?
4. Explain the methods and techniques used for organisational appraisal.
5. Describe the scheme of grand strategies at the corporate level proposed by William F. Glueck.
6. Elaborate the associated benefits and risks in cost leadership, differentiation and focus strategies.
7. Describe the contents of a good and workable strategic plan for a large business group.
8. How the structure of the organisation is crucial from the view point of strategy implementation ? Explain.
9. Explain the major considerations before a strategist for the integration of functional plans and policies.

**SECTION – C**

**(1×15=15)**

**(Compulsory)**

**Note :** Answer to the question should **not** exceed **six** pages.

10. Case analysis.

On August 8, 2017, Asian Paints Ltd. (Asian Paints) was ranked eighth in Forbes' List of "The World's Most Innovative Companies". The high rank on the list was in recognition of its investment in research and development initiatives and the Return On Investment (ROI) generated by its quality of innovation. It also reflected the company's continued focus on growth through innovation.

P.T.O.



Asian Paints had paved its path to success with a series of innovations for over 75 years, focusing both on its internal and external processes. It was in the 2000s and 2010s that the company transformed itself from a paint manufacturing company to a facilitator of well curated homes through a plethora of initiatives. It made people realize the magic a 'color' could bring through its well-thought-out initiatives.

In 2012, Asian Paints came out with a new logo and brand positioning which said, "To be the fore runner of inspiring décor and to actively empower customers to create their dream homes". The company focused upon creating a corporate brand identify by renaming itself 'AP'. The company recreated its brand portfolio and laid emphasis on best-selling brands, neatly clubbed under verticals like exterior (Apex Ultima), interior (Tractor Emulsion, Royale, Royale Play), solutions (Ezycolour) and waterproofing (SmartCare).

Asian Paints pioneered the use of various digital technologies through the years, and these played a critical part in its growth. As the company went through a paradigm shift in terms of size and brand positioning, the company management felt the need to upgrade its internal processes for expeditious execution of its deliverables. As a result, the company focused more on implementing digital technologies to achieve speed and accuracy in its operations. The company emphasized making technological advances from its shop floors to warehouses.

Asian Paints had a Research and Technology Center at Turbhe, near Mumbai, Maharashtra. Spread across an area of 200,000 square feet, it was the largest dedicated R and D facility of a paint company in India. The main driving force behind the establishment of the R and D facility was the manufacture of environment friendly and technology intensive paints. Mosongo Moukwa, Vice-President of Technology of Asian Paints, said, "Research and development is the life broth of manufacturing companies, enabling them to grow and compete.

Despite the innovations and implementation of digital technologies, Asian Paints struggled with its Q2 2018 revenues. Its Profit After Tax (PAT) also came down to Rs. 4,928 million from Rs. 5,759 million. In Q2 2018, the company also witnessed a fall in its growth margin to 16.9% from 18.7%. However, the staggering result was also attributable to a sudden increase in its raw material costs due to the increase in crude oil prices in July 2018.

#### Questions :

1. How the technologies that helped Asian Paints improve customer experience ?
2. Why repositioning is important for an organization to stay relevant in a changing business environment ?
3. How digitalization enables a company to improve its operations and customer experience ?
4. What are the challenges faced by the firm in retaining its leadership position in spite of being an early mover in digital ?

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**MBAS 553**

**Fourth Semester M.B.A. Degree Examination, October 2021**  
**BUSINESS ADMINISTRATION (Regular and Repeater)**  
**Financial Services**

Time : 3 Hours

Max. Marks : 70

**SECTION – A**  
**(Compulsory)**

**Note :** Answer **any two** questions. Answer to the questions should **not** exceed **six** pages. **(2×10=20)**

1. Discuss the role of insurance in financial framework in a developing economies.
2. Explain the functions of Merchant banking in the Indian context.
3. Describe the concept and different types of leasing.

**SECTION – B**

**Note :** Answer **any three** questions. Answer to the questions should **not** exceed **six** pages. **(3×12=36)**

4. Briefly explain the functions of financial system.
5. Explain the advantages and disadvantages of ADR and GDR.
6. Explain the process of awarding credit rating.
7. On 1<sup>st</sup> April, 2008, Bihar Collieries obtained a machine on the hire purchase system, the total amount payable being Rs. 2,50,000. Payment was to be made : Rs. 50,000 down payment and the balance in four annual instalments of Rs. 50,000 each. Interest charged was at the rate of 15 percent. At what value should the machine be capitalised ?
8. Imagine that you are considering an equipment for lease (rather than a purchase) of a computer for your office. The lease terms call for a lease rent of Rs. 3,500 P. M. payable over 24 month and a residual value of Rs.1,000. The cost of capital is 9% and the tax rate is 40 percent. Compute the cost of leasing.

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SECTION – C  
(Compulsory)

Note : Answer to the question should **not** exceed **six** pages. (1×14=14)

9. Modern Outlook Ltd. (MOL), a small manufacturing firm, is considering the acquisition of a machine. After evaluating equipments offered by seven different manufacturers, it has come to the conclusion that 'Z' was the most suitable machine for its needs. Consequently, it has asked the manufacturer's sales personnel to provide information on alternative financing plans available through their financing subsidiary. The subsidiary presented the two alternatives.

Alternative I was to lease the 'Z' equipment for 7 years, which was the machine's expected useful life. The annual lease payment would be Rs. 14,700 and would include service and maintenance. Lease payments would be due at the beginning of the year. Lease payments would be fully tax-deductible on the year of payment.

Alternative II would be to purchase the 'Z' equipment through 100% loan from the financing subsidiary. The cost of the machine is Rs. 50,000. It would make seven annual payments of Rs. 9,935 each to repay the loan of Rs. 50,000. Payments would be, at the end of each year. The MOL's marginal tax rate is 44%. It has estimated that the equipment has an expected salvage value of Rs. 1,000. The company plans to depreciate the equipment by using straight line method. The service and maintenance would cost Rs. 3,700 annually. You are required to advice MOL on the desirability of the alternative plans, assuming that the rate of interest is 9% p.a.

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**MBAS 554**



**Fourth Semester M.B.A. Degree Examination, October 2021**

**(Regular and Repeater)**

**BUSINESS ADMINISTRATION**

**International Financial Management**

Time : 3 Hours

Max. Marks : 70

**Note :** Answer **all** sections. Marks are indicated against **each** section.

**SECTION – A**

**Note :** Answer **any two** questions. **Each** question carries **ten** marks : **(2×10=20)**

Answer to **each** question should **not** exceed **five** pages :

1. What do you understand by International Monetary System ? Bring out the role of International Monetary Fund (IMF) with respect to international liquidity and in solving major financial crises, with suitable examples.
2. Describe the structure of Balance of Payments (BoP). Also explain the recent trends in Indian BoP.
3. 'Capital budgeting for a foreign project is considerably more complex than the domestic case'. What are the factors that add complexity ? Explain.

**SECTION – B**

**Note :** Answer **any three** questions. **Each** question carries **twelve** marks : **(3×12=36)**

Answer to **each** question should **not** exceed **six** pages :

4. Explain the various theories of exchange rate determination.
5. Describe the salient features of the Foreign Exchange Management Act (FEMA). Trace the issue of convertibility of rupee on Current Account and Capital Account.

**P.T.O.**



6. Write short notes on :

- a) Indian Forex Market.
- b) Global Depository Receipts (GDRs).
- c) International Working Capital Management.

7. Suppose that Unilever needs to borrow \$50 million in two months for a six-month period. To lock in the rate on this loan, Unilever buys a "2 × 6" Forward Rate Agreement (FRA) on LIBOR at 6.5% from Bankers Trust for a notional principal of \$50 million. This means that Bankers Trust has entered into a two-month forward contract on six-month LIBOR. Two months from now, if LIBOR 6 exceeds 6.5%, Bankers Trust will pay Unilever the difference in interest expense. If LIBOR 6 is less than 6.5%, Unilever will pay Bankers Trust the difference. Assume that in two months, LIBOR 6 is 7.2%.

Calculate the interest payment on LIBOR-based FRA, which Unilever will receive from Bankers Trust.

8. a) Explain the methods of measurement of economic exposure.
- b) A British venture capitalist holding a major stake in an e-commerce start-up silicon valley. As a British resident, he is concerned with the pound value of his U.S. equity position. Assume that if the American economy boons in future, his equity stake will be worth \$ 10,00,000 and the exchange rate will be \$ 1.40/£. If the American economy experiences a recession, his American equity stake will be worth \$ 500,000 and the exchange rate will experience a boon with a 70% probability and a recession with 30% probability.

**Required :**

- i) Estimate his exposure to the exchange risk.
- ii) Compute the variance of pound value of his American equity position that is attributable to the exchange rate uncertainty.
- iii) How would he hedge his exposure ? If he hedges, what is the variance of the pound value of the hedged position ?



SECTION – C

**Note :** This Section is **compulsory**. It carries **fourteen** marks : **(1×14=14)**  
Answer to the question should **not** exceed **six** pages :

9. The Strik-it-Rich Gold Mining Company is contemplating expanding its operations. To do so, it will need to purchase land that the geologists believe is rich in gold. The company's management believes that the expansion will allow it to mine and sell an additional 2,000 troy ounces of gold per year. The expansion, including the cost of the land, will cost \$ 2,500,000. The current price of gold bullion is \$ 1,400 per ounce and one-year gold futures are trading at \$ 1,484 = \$ 1,400 (1.06). Extraction costs are \$ 1,050 per ounce. The firm's cost of capital is 10%. At the current price of gold, the expansion appears profitable :  $(NPV = (\$ 1,400 - 1,050) \times 2,000 / 0.1 - 2,500,000 = 4,500,000$ . The management is concerned with the possibility that large sales of gold reserves by Russia will lower the gold prices to \$ 1,100 in the near future. On the other hand, the management believes there is possibility that the world will soon return to a gold reserve international monetary system. In the latter event, price of gold would rise to at least \$ 1,600 per ounce. The course of the future price of gold should become clear within a year. The company can postpone the expansion for a year by buying a purchase option on the land for \$ 250,000. What should the management do ? Show the necessary working.

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SECTION – B

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**MBAS 555**

**Fourth Semester M.B.A. Degree Examination, October 2021**  
**(Regular and Repeater)**  
**BUSINESS ADMINISTRATION**  
**Corporate Financial Restructuring.**

Time : 3 Hours

Max. Marks : 70

**SECTION – A**

**Note :** Answer **any two** questions. **Each** question carries **ten** marks. Answer to **each** question should **not** exceed **5** pages. **(2×10=20)**

1. Describe the legal procedure of merger and acquisition.
2. Explain the need for corporate restructuring.
3. Discuss the takeover regulations of SEBI.

**SECTION – B**

**Note :** Answer **any three** questions. **Each** question carries **twelve** marks. Answer to **each** question should **not** exceed **6** pages. **(3×12=36)**

4. What is significance of revival and restructuring of sick companies ? Explain.
5. Describe different modes of funding mergers and acquisition.
6. Discuss the tax implications of demerger.
7. Elucidate the necessity and SEBI guideline for buyback of shares.

8. ABC Ltd. is evaluating possibility of acquiring XYZ Ltd. with following details :

<b>Particulars</b>	<b>ABC</b>	<b>XYZ</b>
PAT	Rs. 8,00,000	Rs. 1,50,000
EPS	Rs. 8	Rs. 3

P.T.O.





DPS	Rs. 4	Rs. 1.5
No. of shares	100000	50000
Market capitalization Rs.	15,000,000	1,500,000

- Calculate profit earnings ratio of both the company before merger. XYZ company's earnings and dividend are expected to grow at 8% without merger and 12% with merger.
- Compute gain from merger.
- Compute cost of merger if Beta Ltd. is paid cash of Rs. 50 per share.
- Compute cost of merger if share exchange ratio is 0.5.

**SECTION – C  
(Compulsory)**

Answer to this question should **not** exceed **6** pages : **(1×14=14)**

9. Alpha Company is being acquired by Beta Company on a share exchange basis. Their selected data are as follows :

Details	Beta Co.	Alpha Co.
PAT (Rs. in lakhs)	60	30
Number of shares (lakh)	15	10
EPS (Rs.)	4	3
Market price per share	110	48

Determine : Pre-merger price earnings ratio, the maximum exchange ratio large Co should offer without the dilution of market price per share and post-merger price earnings ratio.

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**MBAS 556**

**Fourth Semester M.B.A. Degree Examination, October 2021**

**(Regular and Repeater)**

**BUSINESS ADMINISTRATION**

**International Marketing Management**

Time : 3 Hours

Max. Marks : 70

**SECTION – A**

**(Compulsory)**

**Note : Answer to the question should not exceed six pages. (1×15=15)**

1. 'International Marketers need to understand the political economic and cultural ethos of the host countries'. Discuss.

**SECTION – B**

**Note : Answer any five of the following questions. Each question carries 8 marks.**

**Answer to the question should not exceed five pages. (5×8=40)**

2. Explain the reasons behind more companies starting with international focus in India.
3. Explain with suitable example, the processing of an export order.
4. Analyze the factors affecting standardization of product line.
5. Explain the pricing strategies adopted by international marketers.
6. Explain the role of multinationals in International Marketing.
7. Explain the objectives of export inspection councils.
8. Analyze the essence of managing the distribution channels.
9. Explain the different types of documents required in export business.

P.T.O.



SECTION – C  
(Compulsory)

Note : Answer to the question should not exceed six pages.

(1×15=15)

10. Balsara Hygiene Products Ltd., which had some fairly successful household hygiene products introduced in 1978 a toothpaste, Promise, with clove oil (which has been traditionally regarded in India as an effective deterrent to tooth decay and tooth ache) as a unique selling proposition. By 1986 Promise captured a market share of 16 per cent and became the second largest selling toothpaste brand in India. There was, however, an erosion of its market share later because of the fighting back of the multinationals. Hindustan Lever's Close-Up gel appealed to the consumers, particularly to the teens and young, very well and toppled Promise from the second position.

Supported by the Export Import Bank of India's Export Marketing Finance (EMF) programme and development assistance, Balsara entered the Malaysian market with Promise and another brand of tooth paste, Miswak.

The emphasis on the clove oil ingredient of the Promise evoked good response in Malaysia too. There was good response to Miswak also in the Muslim dominated Malaysia. Its promotion highlighted the fact that Miswak (Latin name: Salvadora Persica) was a plant that had been used for centuries as a tooth cleaning twig. It had references in Koran. Quoting from Faizal-E-Miswak, it was pointed out that prophet Mohammed used "miswak before sleeping at night and after awakening." The religious appeal in the promotion was reinforced by the findings of scientists all over the world, including Arabic ones, of the antibacterial property of clove and its ability to prevent tooth decay and gums.

Market intelligence revealed that there was a growing preference in the advanced countries for nature based products. Balsara tied up with Auromere Imports Inc. (All), Los Angeles. An agency established by American followers of Auromere, an Indian philosopher saint. Eight months of intensive R and D enabled Balsara to develop a tooth paste containing 24 herbal ingredients that would satisfy the required parameters. Auromere was voted as the No. 1 toothpaste in North Eastern USA, in a US Health magazine survey in 1991.

The Product line was extended by introducing several variants of Auromere. A saccharine free toothpaste was introduced. It was found that mint and menthol were taboo for users of homeopathic medicines. So a product free of such mints was developed. Auromere Fresh Mint for the young and Auromere Cina Mint containing a combination of cinnamon and peppermint were also introduced. When the company realised that Auromere was not doing well in Germany because of the foaming agent used in the product, it introduced a chemical free variant of the product.

**Questions :**

- Explain the environmental factors which Balsara used to its advantage.
- What is the strength of All to market Ayurvedic toothpaste in USA ?

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**MBAS 557**

**Fourth Semester M.B.A. Degree Examination, October 2021**

**(Regular and Repeater)**

**BUSINESS ADMINISTRATION**

**Service Marketing**

Time : 3 Hours

Max. Marks : 70

**SECTION – A**

**(Compulsory)**

**Note :** This question carries **15** marks. Answer to the question should **not** exceed **six** pages : **(1×15=15)**

1. Discuss the growth and role of service sector in India. Examine the contribution of the sector to the development of Indian an economy ?

**SECTION – B**

**(Compulsory)**

**Note :** Answer **any five** of the following questions. **Each** question carries **eight** marks. Answer to the question should **not** exceed **five** pages. **(5×8=40)**

2. How do services differ from products ? Discuss the unique characteristics of services.
3. What is service marketing mix ? Explain the components of this mix.
4. What do you understand by People and Possession processing services ? What challenges do they pose to the service marketer ?
5. Why should a service marketer be interested in service encounters ? What are the challenges encountered in high-contact and low-contact service encounters ?
6. What is customer expectation in the context of services ? How is it formed ? Explain.
7. Describe a typical buying purchase process for services.

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- 8. What is positioning of services ? Discuss the important issues underlying competitive positioning strategy for services.
- 9. The main objective of marketing communication strategy for services is education and persuasion. Explain the statement with suitable examples.

**SECTION - C**  
**(Compulsory)**

**Note :** This question carries **15** marks. Answer to the question should **not** exceed **six** pages.

**(1×15=15)**

- 10. Select a health care service of your choice and discuss the dimensions of service quality on which the customers often experience a GAP between expectations and perceptions of the actual service performance. What might be the underlying causes that lead to the gap ? What strategic measures should marketer take to bridge the quality gap ?

**SECTION - B**  
**(Compulsory)**

**Note :** Answer any five of the following questions. Each question carries eight marks. Answer to the question should not exceed five pages. (5×8=40)

- 1. How do services differ from products ? Discuss the unique characteristics of services.
- 2. What is service marketing mix ? Explain the components of this mix.
- 3. What do you understand by People and Possession processing services ? What challenges do they pose to the service marketer ?
- 4. Why should a service marketer be interested in service encounters ? What are the challenges encountered in high-contact and low-contact service encounters ?
- 5. What is customer expectation in the context of services ? How is it formed ? Explain.
- 6. Describe a typical buying process for services.

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**MBAS 558**

**Fourth Semester M.B.A. Degree Examination, October 2021**

**(Regular and Repeater)**

**BUSINESS ADMINISTRATION**

**Rural Marketing**

Time : 3 Hours

Max. Marks : 70

**SECTION – A (Compulsory)**

**Note :** Answer to the question should **not** exceed **six** pages. **(1×15=15)**

1. What are the emerging challenges and opportunities in rural marketing ?

**SECTION – B**

**Note :** Answer **any five** questions from the following. **Each** question carries **8** marks.

Answer to the question should **not** exceed **five** pages. **(5×8=40)**

2. What are the 4As of rural marketing ? Explain.
3. How should marketer respond to the changes taking place in rural environment ?  
Give examples.
4. Imagine yourself as a marketer, wanting to introduce a new product in rural market, examine the adoption and diffusion process of new product in rural markets.
5. Examine the role of integrated marketing communication in rural marketing.  
Give example.
6. You are the owner of a small grocery outlet covering about 10 rural markets. Recently a big grocery outlet has been started and has started targeting the same set of customers as yours. You are afraid of losing the market and want to identify new segments to target. How would you go about segmenting the market ?

**P.T.O.**



7. What are the elements in brand building in rural markets ? Discuss considering an example of your choice.
8. Examine the dimensions of channel behaviour in rural markets.
9. Examine how the public private partnership model can be used in rural marketing. Give suitable examples.

SECTION – C

(Compulsory)

**Note :** Answer to the question should **not** exceed **six** pages.

(1×15=15)

10. With suitable examples, explain in detail the “advanced practices in rural marketing”.

SECTION – B

Note: Answer any five questions from the following. Each question carries 8 marks.

Answer to the question should not exceed five pages. (5×8=40)

1. What are the AAs of rural marketing ? Explain.
2. How should marketer respond to the changes taking place in rural environment ? Give examples.
3. Imagine yourself as a marketer, wanting to introduce a new product in rural market, examine the adoption and diffusion process of new product in rural markets.
4. Examine the role of integrated marketing communication in rural marketing. Give example.
5. You are the owner of a small grocery outlet covering about 10 rural markets. Recently a big grocery outlet has been started and has started targeting the same set of customers as yours. You are afraid of losing the market and want to identify new segments to target. How would you go about segmenting the market ?

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**MBAS 559**



**Fourth Semester M.B.A. Degree Examination, October 2021**  
**(Regular and Repeater)**  
**BUSINESS ADMINISTRATION**  
**Global Human Resource Management**

Time : 3 Hours

Max. Marks : 70

**SECTION – A**  
**(Compulsory)**

**Note:** Answer to the question should **not** exceed **six** pages : **(1×15=15)**

1. Explain briefly the various approaches to the study of Global HRM.

**SECTION – B**

**Note:** Answer **any five** questions. **Each** question carries **8** marks. Answer to the question should **not** exceed **five** pages : **(5×8=40)**

2. Explain the nature and scope of GHRM.
3. Write explanatory note on HRM practices in Japan and India.
4. Discuss the prospects and challenges of GHRM.
5. What is performance management ? Explain the various methods of employee performance measurement.
6. Explain the repatriation process and benefits from repatriates.
7. Discuss the training strategies and emerging trends in training in global business.
8. Explain organizational structure and design in global organizations.
9. Define quality circle. Explain the features and objectives of quality circles.

P.T.O.





SECTION – C  
(Compulsory)

**Note :** Answer to the question should **not** exceed **six** pages : (1×15=15)

10. Watson Public Ltd., is well known for its welfare activities and employee oriented schemes in manufacturing industry from more than ten decades. The company employs more than 800 workers and 150 administrative staff and 80 management level employees. The top level management views all the employees at same level. This can be clearly understood by seeing the uniform of the company which is same for all starting from MD to floor level workers. The company has two different cafeterias at different places one near the plant for workers and other near the administration building. Though the place is different the amenities, infrastructure and the food provided are of same quality. In short, the company stands by the rule 'Employee Equality'.

The company has one registered trade union and the relationship between the union and the management is very cordial. The company has not lost a single man day due to strike. The company is not a pay master in the industry. The compensation policy of that company when compare to other similar companies, is very less till the employees don't have many grievances due to the other benefits provided by the company. But the company is facing countable number of problems in supplying the materials in recent past days. Problems like quality issues, mismatch in packing materials (placing material A in box of material B), in correct labelling of material, not dispatching the materials on time etc.,

The management views the case as there are loop holes in the system of various departments and hand over the responsibility to HR department to solve the issue. Then the HR manager goes through the issues he realised that the issues are not relating to system but it relates to the employees. When investigated he come to know that the reason beyond the casual approach by employees in work is ;



- The company hired new employees for higher level post without considering the potential internal candidates.
- The newly hired employees are placed with higher packages than that of existing employees in the same cadre.

**Questions :**

- Narrate the case with suitable title for the case. Justify your title.
- The points raised by the HR manager as reason for the latest issue in the organization is justifiable or not. Support your answer with human resources related concepts.
- Help the organization to come out from this critical issue, if you are in the role of HR manager.

1. Explain briefly the various approaches to the study of Global HRM.

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**SECTION - B**

Note: Answer any five questions. Each question carries 8 marks. Answer to the question should not exceed five pages.

- Explain the roles and responsibilities of CHRM.
- Write explanatory note on HRM practices in Japan and India.
- Discuss the prospects and challenges of CHRM.
- What is performance management? Explain the various methods of employee performance measurement.
- Explain the importance of process and service in an organization.
- Discuss the various strategies and emerging trends in managing global business.
- Explain the organizational structure and design in global organizations.
- Define quality circles. Explain the features and objectives of quality circles.

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**MBAS 560**

**Fourth Semester M.B.A. Degree Examination, October 2021**

**(Regular and Repeater)**

**Business Administration**

**COMPENSATION MANAGEMENT**

Time : 3 Hours

Max. Marks : 70

**SECTION – A**

**(Compulsory)**

**Note** : Answer to the questions should **not** exceed **six** pages : **(1×15=15)**

1. Critically examine the economic theories of wages.

**SECTION – B**

**Note** : Answer **any five** questions. **Each** question carries **eight** marks. Answer to **each** question should **not** exceed **five** pages : **(5×8=40)**

2. What are the factors influencing compensations ? Explain.
3. Discuss the relationship between compensation and behavior of employees.
4. What are the internal and external equity in compensation system ? Elucidate.
5. What are the types of pay for performance plans ? Discuss.
6. Critically examine the methods of wage fixation.
7. What are the significance of incentives ? Explain.
8. Explain the retirement benefits available to employees.
9. Explain the recent changes in taxation in respect of employee compensation.

P.T.O.

**SECTION – C  
(Compulsory)**

**Note :** Answer to the questions should **not** exceed **six** pages : **(1×15=15)**

10. The ABC company has used the EVA model for employee compensation. With the implementation of Economic Value Added (EVA)-based compensation, the salary of employees comprised of two parts – fixed and variable. The variable part of the salary was arrived after considering business unit EVA, corporate EVA, and also individual performance EVA. During the fourth quarter of the Financial Year (FY) 2007-2008, ABC announced its plans to slash 1.5 percent of the variable component of employee salaries since its EVA targets for the third quarter of FY 2007-2008 were not met. The company came in for severe criticism and it was accused of not being transparent with respect to EVA calculation. However, some analysts felt that the pay cuts were a result of the macroeconomic challenges that the Indian companies were facing.

**Questions :**

- i) What do you think how the situation could have been managed better if you have been the HR manager in the ABC company during this time ?
- ii) Whether decision of the company to slash salary by 1.5 per cent is correct ?
- iii) What are the macro economic challenges that Indian companies were facing ?

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**MBAS 561**

**Fourth Semester MBA Degree Examination, October 2021**

**(Regular and Repeater)**

**Business Administration**

**PERFORMANCE MANAGEMENT**

Time : 3 Hours

Max. Marks : 70

**PART – A**

**Note :** Answer to the questions should **not** exceed **six** pages. **(1×15=15)**

1. Critically examine the essence and implications of performance management in business organizations.

**PART – B**

**Note :** Answer **any five** questions. **Each** question carries **eight** marks. Answer to **each** question should **not** exceed **five** pages. **(5×8=40)**

2. Distinguish between Performance Appraisal and Performance Management.
3. What are the challenges in implementing performance management process ?
4. How does performance management help in resolving contingencies in the job ?
5. What are the objectives and principles of monitoring ?
6. Discuss the process of judgement Vs process of analysis in annual stocktaking.
7. Outline the principles to be followed in designing an efficient appraisal system.
8. What are the features of High performance teams ?
9. Briefly explain the role of leadership in organizational effectiveness.

**P.T.O.**



## PART- C

## (Compulsory)

**Note :** Answer to the questions should **not** exceed **six** pages.

**(1×15=15)**

10. The major vendors of hosted online performance appraisal systems include Knowledge Point, Soft cape, Performa Works and SuccessFactors.com. These applications can vary in price depending upon the number of employees and degree of functionality desired. However, a price of around \$100,000 is typical for a mid-sized firm. The electronic approach offers savings in time and labor. A traditional (paper-based) approach to performance appraisal has been estimated to cost \$1,500 per employee with some of the sources of this cost being time spent (1) creating goals and objectives, (2) conducting reviews, (3) designing, printing, copying, filing and distributing appraisal forms, (4) training supervisors to conduct appraisals, and (5) dealing with post-appraisal appeals and grievances. An electronic approach might eliminate the costs of designing, printing, and so on, but the approach may not influence the other sources of cost.

**Questions :**

Do you think the costs of the online performance appraisal systems are worth it? Why? Consider expected costs and benefits to provide a rationale for your answer.

