ANNAMACHARYA INSTITUTE OF TECHNOLOGY & SCIENCES :: RAJAMPET (AUTONOMOUS)

MBA II Semester Supplementary Examinations, November/December 2012 BUSINESS ETHICS AND CORPORATE GOVERNANCE

Time: 3 Hours Max Marks: 60

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Answer any FOUR of the following All questions carry equal marks

PART-A

 $4 \times 12 = 48 \text{ Marks}$

- 1. What are the different connotations of Business Ethics? Explain the features of Modern Ethical Decision Making?
- 2. Advertising agencies now a day's violating the ethical standards in their functioning! Comment.
- 3. If you are appointed as HR managers in any company what are the ethical issues you may have to address while conducting performance appraisal?
- 4. List out the various ways of combating frauds in investments?
- 5. Write a note on intellectual property rights? Explain various issues involved in it.
- 6. What is meant by corporate governance? Give an over view of how it is useful in managing service organizations?
- 7. What is meant by Corporate Social Responsibility? Explain the regulatory frame work in Indian environment?

PART-B

12 Marks

Compulsory Question

Case

In 1996, in the north Indian state of Haryana, the Haryana Vikas Party (HVP) promised to make it illegal to buy, sell, consume or produce alcohol in the state if it were elected to the state assembly. The opposing parties criticized the HVP for trying to gain political mileage out of a sensitive issue like liquor prohibition.

Despite the criticism, HVP won the elections and its leader Bansi Lal carried out the party's promise within minutes of becoming the Chief Minister (CM). Over the next year, the ban cost the state treasury Rs 12 billion in excise revenue and led to a loss of 20,000 jobs in brewing, distilling and retailing of alcoholic drinks. In addition, 40,000 truckers, farmers and bottle producers experienced a substantial decrease in their earnings.

The state police filed 98,699 cases involving about 1,00,000 people caught intoxicated or in possession of liquor. Over 13 lakh bottles were sized and 7,000 vehicles were impounded. The state also saw an alarming increase in deaths, resulting from the consumption of spurious liquor by poor people.

To offset the loss of revenue, the government raised taxes and fees for various state provided services – power tariff were increased by 10-50%, bus fares by 25%, and the petrol sales tax by 3%. New taxes were levied on businesses and self-employed people. Almost overnight, illicit

brewing and liquor smuggling became one of the biggest industries in the state. Haryana's tourism industry suffered badly as tourists preferred to visit neighboring states where there was no prohibition. Profits of most hotels and restaurants, including the state-owned Haryana Tourism Resorts reached the nadir.

The HVP also paid heavily for imposing prohibition in Haryana. Not only did it lose 8 of the 10 Lok Sabha seats it held in the 1998 parliamentary elections, its leader's son spoke openly against prohibition. As a result, in a 'not-so-surprising' move, the Haryana government decided to lift prohibition in April 1998.

The Rs. 60 billion Indian liquor industry was delighted by this move. At the same time, prohibition supporters all over the country voiced their objection to this decision, fuelling the age-old dispute over the efficacy of prohibition.

8. Questions

- a. Discuss all the ethical issues in this case
- b. In your opinion what regulatory frame work can be set to monitor these kinds of situations?
- c. Suggest an amicable solution for imposing such prohibition in future.

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ANNAMACHARYA INSTITUTE OF TECHNOLOGY & SCIENCES :: RAJAMPET (AUTONOMOUS)

MBA II Semester Supplementary Examinations, November/December 2012 BUSINESS RESEARCH METHODS

Time: 3 Hours

Max Marks: 60

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Answer any FOUR of the following All questions carry equal marks

PART-A

 $4 \times 12 = 48 \text{ Marks}$

- 1. What is ethical research? Review the ethics in business research.
- 2. Explain the hypothesis testing procedure. Write the characteristics of a good hypothesis.
- 3. Write the need of research design. Review the experimental research design.
- 4. Define data with an example. Distinguish between primary and secondary data.
- 5. Scaling techniques are essential in Business Research-Explain.
- 6. Review the discriminant analysis and factor analysis. What are the uses of these methods in Research?
- 7. Write the merits and demerits of diagrammatic and graphic presentation of statistical data. What is pie diagram?

PART-B

12 Marks

Compulsory Question

Case

A survey was conducted among 150 MBA second year students at a management institute to ascertain their most preferred criterion for accepting an offer. The criteria were: Salary package, Job profile and Brand value of company. Their responses are tabulated as follows. Do the criteria depend on area of specialization?

| CRITERIA | MARKETING | FINANCE | OPERATIONS | TOTAL |
|------------------------|-----------|---------|------------|-------|
| Salary package | 30 | 24 | 20 | 74 |
| Job Profile | 15 | 10 | 25 | 50 |
| Brand value of company | 5 | 16 | 5 | 26 |
| Total | 50 | 50 | 50 | 150 |

Would the conclusion changes if the data for marketing and Finance and interchanged?

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ANNAMACHARYA INSTITUTE OF TECHNOLOGY & SCIENCES :: RAJAMPET (AUTONOMOUS)

MBA II Semester Supplementary Examinations, November/December 2012 HUMAN RESOURCE MANAGEMENT

Time: 3 Hours

Max Marks: 60

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Answer any FOUR of the following All questions carry equal marks

PART-A

 $4 \times 12 = 48 \text{ Marks}$

- 1. Elaborate the responsibilities and role played by HR department in an organization.
- 2. Bring out the meaning, scope and differences between job design and job description
- 3. Explain important methods of job training
- 4. How does career development brings about employee as well as organization development? Explain with examples.
- 5. Elaborate the following models
 - a. Holland Vocational preferences model.
 - b. Schein's Anchors model.
- 6. Elaborate performance management programme for teams.
- 7. Do you feel that the role of HR reduced after globalization? Defend with examples.

PART-B

12 Marks

Compulsory Question

Case

The cost of making bad decisions when selecting new employees is leading employers of all sizes to review their selection processes. Some smaller companies have taken specific steps to improve their selection practices. Jellyvision, a firm that develops computer games, requires applicants to go through an audition process. The purpose of the audition is to ensure that applicants understand the culture of the firm and what is required to succeed. Applicants for jobs using writing skills sometimes complete 50 page written exercises. Prior to being hired, even the HR Director had to complete a take home HR test that required 15 hours, in order to make sure she could handle the work demands and expectations of senior managers at Jellyvision.

At City Garage, a Texas-based auto service chain with 200 employees, selection traditionally was handled by individual store managers who administered a paper and pencil test and conducted one interview. But high turnover rates made it clear that a new selection process was needed. Therefore, the firm changed to a process using an application, followed by a background check. Then individuals still seen as viable candidates take a ten-minute on-line test dominance, influence, steadiness and compliance. Answers on the test are analyzed and then interviews are conducted that focus on work capabilities and personality issues such as conflict, lack of patience and others. Finally, those applicants still considered for employment several days later go through an all-day series of interviews with several levels of managers. Even though this extensive process may appear costly and time-consuming, the firm reports lower turnover and fewer problems with new employees as a result.

8. Questions

- a. Discuss the advantages of the selection efforts used in these two firms.
- b. What would be some drawbacks in using these processes, especially in larger firms?

ANNAMACHARYA INSTITUTE OF TECHNOLOGY & SCIENCES :: RAJAMPET (AUTONOMOUS)

MBA II Semester Supplementary Examinations, November/Decemeber 2012 **PRODUCTION AND OPERATIONS MANAGEMENT**

Time: 3 hours Max Marks: 60

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Answer any FOUR of the following All questions carry equal marks

PART-A

 $4 \times 12 = 48 \text{ Marks}$

- 1. Organizations may be viewed as systems. The system view is important to operations managers since.
 - a. The production/operation system is a part of the firm or organization and
 - b. Within the production/operations function there are subsystems. Explain.
- 2. The following REL chart is given for the departments A,B,C and D which are to be laid out on a 2x2 grid. CORELAP method is being used. Arrange the departments into a suitable 2x2 grid.

REL chart

| | A | В | С | D |
|---|---|---|---|---|
| A | _ | | | |
| В | X | _ | | |
| С | A | 0 | _ | |
| D | Е | U | I | _ |

Assume A=6, E=5, I=4, O=3, U=2 and X=1.

3. Assembly of a certain product consists of eleven operations. The operation times and precedence requirements are given in the table below:

| Operation Number | Duration | Immediate Preceding Operation(s) | | |
|---------------------|----------|----------------------------------|--|--|
| 1 | 0.4 | _ | | |
| 2 | 0.7 | _ | | |
| 3 | 0.5 | 1, 2 | | |
| 4 | 0.7 | 3 | | |
| 5 | 0.4 | _ | | |
| 6 | 0.2 | 4, 5 | | |
| 7 | 0.1 | 6 | | |
| 8 | 0.3 | 7 | | |
| 9 | 0.4 | | | |
| 10 | 0.5 | 8, 9 | | |
| 11 | 0.6 | 10 | | |

Draw the precedence diagram and assign operations to workstations on the line without violating precedence relations and without exceeding the cycle time. Also calculate the line efficiency and balance delay.

The designed output is 6500 units/week.

The company operates for 5 days per week, three shifts per day, 8-hours shift each day and at 90% efficiency.

- 4. Explain why quality should be better by following the TQM concept than in a system that depends on final inspection.
- 5. In a candy factory a direct time study was made of the chocolate melting and pouring operation. Two inexperienced industrial engineers and one experienced engineer all made the study simultaneously. They agreed precisely on cycle times (shown below) but varied on rating the worker. The experienced engineer rates the worker 100% and the other engineers rated the worker 80% and 110%. The firm uses a 0.15% allowance function.

| Cycle time | Number of times | |
|--------------|-----------------|--|
| (in minutes) | observed | |
| 25 | 1 | |
| 29 | 2 | |
| 30 | 2 | |
| 31 | 1 | |

- a. Determine the standard time using the experienced industrial engineers worker rating.
- b. Find the standard times using the worker rating of each inexperienced engineer. What is your interpretation when compared to part(a)? are you sure the experienced engineer is correct.
- 6. Explain the complementary role of productivity and wastivity in effective of resources in an organization.
- 7. a. compare and contrast 'push' type of production system with 'pull' type of production system and justify which one is better?
 - b. We have seven jobs each of which has to go through the machine M1 and M2 in the order M1–M2. Processing time(in hours) are given as:

| Job | 1 | 2 | 3 | 4 . | 5 | 6 | 7 |
|------------|-----|----|----|-----|----|----|---|
| Machine M1 | . 3 | 12 | 15 | 6 | 10 | 11 | 9 |
| Machine M2 | 8 | 10 | 10 | 6 | 12 | 1 | 3 |

Determine a sequence of these jobs that will minimize the total elapsed time.

PART-B

12 Marks

Compulsory Question

The Good shepherd Home is a long-term care facility with an 80-bed capacity located in San Mateo, California. Mr. Scott, the administrator is concerned about rising food costs. He questions whether administration is efficient as it might be and realizes that food, a "raw material" for his food services, has increases in price significantly. Mr. Scott decides to investigate food services more closely.

Analyzing last month's purchased items, Mr. Scott summarizes a random selection of items. Mr.Scott wonders what interpretation he should make about these typical items. He has looked at 100 stock items and is considering tighter controls (dozens, cases, pounds, etc.) have been ordered.

Typical Inventory Items

| Number of Stock | Quantity Ordered | Total Cost | Average Inventory |
|-----------------|------------------|-------------------|-------------------|
| Items | (in units) | (in \$) | (in \$) |
| 3 | 50 | 3,500 | 1,200 |
| 12 | 150 | 2,500 | 900 |
| 20 | 200 | 1,500 | 600 |
| 40 | 400 | 2,000 | 200 |
| 25 | 200 | 500 | 200 |

Of particular interest is a problem with a perishable goods. Since the home has residents in independent living units and eating at the home irregularly, bread demand is uneven. Bread is delivered daily and is used that day for table meal service only; the day-old bread is salvaged for dressing and similar dishes. Scott estimates the cost of bread to be \$0.75% loaf and the cost of day-old bread to be \$0.25% loaf, Scott says, "We should not be out of fresh bread at the table. Although man cannot live by bread alone, it is very important to our residents. I put a high cost on being out of bread – considerably more than the cost of a loaf, in fact, I think every time we run out of bread, it costs a dollar per loaf short in goodwill last from our residents."

Knowing how Mr. Scott feels, the food services supervisor has a standing order for 30 loaves/day and twice that amount on Sunday. The demand for bread for the last two weeks is shown below:

Bread Demand (in loaves)

| Day | Week1 | Week2 |
|-----|-------|-------|
| Mon | 20 | 19 |
| Tue | 15 | 27 |
| Wed | 21 | 20 |
| Thu | 30 | 32 |
| Fri | 31 | 27 |
| Sat | 19 | 16 |
| Sun | 42 | 39 |

In conversation with Mr. Scott, the supervisor says, "I recently heard about cost tradeoffs in food service inventory. I can't really see what item cost, carrying cost, ordering cost and stock out cost have to do with proper nutrition. I try to buy good quality foods and spend less than \$5/day on food for each resident. That's my objectives."Mr. Scott has heard, too, about cost tradeoffs, but he wonders what they mean and how they apply to a nursing home environment. To try to understand this better he talked to his bookkeeper. The supervisor says that she knows with certainty that demand for hamburger over a menu cycle is 200 pounds. Furthermore, the bookkeeper estimates it costs \$12 to place an order and 20 percent of the hamburger cost to carry hamburger in inventory. Hamburger costs \$1.55/pound. The dietitian says a menu cycle lasts two weeks and Good Shepherd currently orders hamburger every week. Mr. Scott is puzzled by all this.

8. Questions:-

- a) What is the problem associated in the case?
- b) How do you solve the bread problem, which is a perishable good? Could you find out the optimum size (EOQ) of the bread that must be ordered?
- c) Find the optimum number of orders per annum.

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