

Management Paper II

Time Allowed : 75 Minutes]

[Maximum Marks : 100

Note : This Paper contains **Fifty (50)** multiple choice questions, each question carrying **Two (2)** marks. Attempt *All* questions.

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| 1. The most appropriate measure of a country's economic growth is its :

(A) GDP

(B) NDP

(C) NNP

(D) Per capita real income | 3. Which of the following economists is credited with developing Modern Monetary Economics ?

(A) Adam Smith

(B) J.B. Say

(C) Milton Friedman

(D) Marshall |
| 2. If the demand for a commodity is, the entire burden of Indirect Tax will fall on the consumer.

(A) Relatively inelastic

(B) Perfectly inelastic

(C) Perfectly elastic

(D) Relatively elastic | 4. Through which of the following policies, do authorities maintain control over the supply of money for the realization of general economic objectives ?

(A) Fiscal Policy

(B) Exim Policy

(C) Trade Policy

(D) Monetary Policy |

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| <p>5. Capital gains tax is the example of :</p> <p>(A) Proportional Tax</p> <p>(B) Indirect Tax</p> <p>(C) Regressive Tax</p> <p>(D) Direct Tax</p> <p>6. "Assistant Manager, after observing the style of conducting a meeting of Senior Manager on number of occasions started conducting the meeting in similar manner" is an example of :</p> <p>(A) Classical conditioning</p> <p>(B) Social learning</p> <p>(C) Insight learning</p> <p>(D) Operant conditioning</p> | <p>7. Organizational commitment is an example of :</p> <p>(A) Job satisfaction</p> <p>(B) Work attitude</p> <p>(C) Personality</p> <p>(D) Perception</p> <p>8. Group dynamics is the systematic study of :</p> <p>(A) the forces operating outside the organisation</p> <p>(B) the forces operating within the group</p> <p>(C) the forces operating between management and union</p> <p>(D) the forces operating between suppliers and customer</p> |
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9. Participative leadership :
- (A) dictates the terms
 - (B) asks for and uses suggestions from subordinates
 - (C) gives free-hand to the subordinates
 - (D) supports subordinates
10. Conflict is a :
- (A) Natural disagreement arising between two people
 - (B) Disliking for each other
 - (C) Lack of understanding of one party
 - (D) Lack of understanding of the problem

11. Human Resource Management is primarily concerned with :
- (A) Sales
 - (B) Dimension of People
 - (C) External Environment
 - (D) Internal Environment
12. Human Resource Planning is the process of :
- (A) Managing people at work
 - (B) Stimulating people to work effectively
 - (C) Getting maximum out of employee
 - (D) Demand and supply forecasting of manpower

13. By-product of Job Analysis are :

- (A) Job Enrichment and Job Evaluation
- (B) Job Description and Job Specification
- (C) Job Rotation and Job Transfer
- (D) Job Satisfaction and Job Specification

14. The training analysis is required to :

- (A) Find out the training needs
- (B) Find out additional requirement of manpower
- (C) Find out working problems
- (D) Maintain industrial democracy at work

15. Management Development Programmes are required :

- (A) to increase production
- (B) to increase effectiveness and personality of a manager
- (C) to increase morale
- (D) to increase team work

16. Green shoe option refers to :

- (A) Options issued by a company engaged in shoe business
- (B) Options issued by company engaged in green marketing
- (C) Option of allocating shares in excess of shares included in public issue
- (D) Option of issuing debentures in place of equity

17. Which of the following statement is *true* ?
- (A) The degree of operating leverage is a measure of financial risk
 - (B) The degree of financial leverage is a measure of business risk
 - (C) The EBIT level at which the EPS is the same for two alternative financial plans is known as the financial break-even point
 - (D) At financial break-even point, EPS is zero
18. While comparing risk involved in two capital budgeting projects with different initial outlays, the suitable measure is :
- (A) Standard deviation
 - (B) Co-efficient of variation
 - (C) Co-efficient of correlation
 - (D) Beta
19. Which of the following statement is *true* ?
- (A) Retained earnings do not have explicit cost, they carry implicit cost
 - (B) Cost of debt is higher than cost of equity
 - (C) Beta is a measure of unsystematic risk
 - (D) The higher the corporate tax rate, the higher is the cost of debt
20. Which of the following assumption is *not* true in respect of Gordon's Model ?
- (A) All investments are financed by either equity or retained earnings
 - (B) The firm has perpetual life
 - (C) Growth rate [$g = br$] is constant
 - (D) $br > ke$

21. Which of the following is *not* true for vertical marketing system ?
- (A) Improves operating efficiency
 - (B) Each function is performed at the most advantageous position in the channel
 - (C) Stresses the independence of individual members
 - (D) Is a tightly co-ordinated distribution channel
22. Mr. X and Mr. Y both own woollen sweaters and are currently shopping for two more sweaters. They both have earlier prices in mind when shopping for new ones. These prices are termed as :
- (A) Psychological prices
 - (B) Reference prices
 - (C) Price points
 - (D) Skimmed prices
23. Which of the following is *not* a generic strategy as given by Michael Porter ?
- (A) Overall cost leadership
 - (B) Focus
 - (C) Line Pruning
 - (D) Differentiation
24. When we practice, we arrange for a product to occupy a clear, distinctive and desirable place relative to competing products in the minds of target consumers.
- (A) Positioning
 - (B) Target segmenting
 - (C) Re-positioning
 - (D) Product distribution

25. An organization with a orientation assumes that the customers will resist purchasing products not deemed essential.
- (A) Production concept
- (B) Marketing concept
- (C) Societal concept
- (D) Sales concept
26. Infeasibility in graphical solution to Linear Programming Problem is caused by :
- (A) Wrong objective function
- (B) Conflicting constraints
- (C) Absence of alternatives
- (D) Absence of non-negativity constraints
27. Shadow prices of economic resources are given by :
- (A) Optimal solution of Dual
- (B) Optimal solution of Primal
- (C) Intermediate solution of Dual
- (D) Intermediate solution of Primal
28. Degeneracy in Linear Programming Simplex Solution is indicated by :
- (A) Tie in the smallest positive ratio
- (B) Tie in the largest $C_j - Z_j$ value
- (C) No. of occupied cells is less than $m + n - 1$
- (D) No. of occupied cells is more than $m + n - 1$

29. Markov Analysis is *not* applicable to :
- (A) Brand Switching
 - (B) Brand Positioning
 - (C) Maintenance Management
 - (D) Accounts Receivables
30. In a decision tree model, when the result of taking a decision is uncertain, then the result is represented by :
- (A) A line
 - (B) A triangle
 - (C) A square
 - (D) A circle
31. In order to find independence of two variables which are attributes, the following test is most appropriate test :
- (A) 't' test
 - (B) 'Z' test
 - (C) 'F' test
 - (D) 'Chi-square' test
32. In cluster sampling, the clusters are so formed as :
- (A) The units in the cluster are as homogeneous as possible
 - (B) The units in the cluster are as heterogeneous as possible
 - (C) The clusters are heterogeneous among themselves
 - (D) Some stratification factor may be chosen

33. If the value of r (Karl Pearson's Correlation Coefficient) is $= -0.1$ then :
- (A) Only b_{yx} must be $-ve$
- (B) Only b_{xy} must be $-ve$
- (C) Both b_{yx} and b_{xy} must be $-ve$
- (D) Both b_{yx} and b_{xy} must be $+ve$
34. If $P(A) = 0.6$, $P(B) = 0.3$, $P(A \cap B) = 0.2$, then $P(A/B)$ is :
- (A) 0.1
- (B) 0.333
- (C) 0.50
- (D) 0.6607
35. Which of the following is *not* an alternative hypothesis ?
- (A) $H_1 : m \neq m_0$
- (B) $H_1 : m > m_0$
- (C) $H_1 : m < m_0$
- (D) $H_1 : m = m_0$
36. The mechanism whereby the organization seeks to earn a profit by selling its goods is known as :
- (A) Competitive advantage
- (B) Distinctive advantage
- (C) Business model
- (D) Competitive competence
37. Diversification mainly allows a firm to :
- (A) Concentrate on a single business
- (B) Create excess resources
- (C) Use its resources more effectively
- (D) Send its directors on foreign tours

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| <p>38. Divestment strategy is pursued when :</p> <p>(A) The industry is flourishing</p> <p>(B) Many takeovers have already taken place</p> <p>(C) The industry is in decline stage</p> <p>(D) R&D is not adequate</p> <p>39. Differentiated business firms are vulnerable to :</p> <p>(A) Diversification by rivals</p> <p>(B) Regulatory changes</p> <p>(C) High costs of R&D</p> <p>(D) Low-cost competitors offering similar products</p> | <p>40. Global Entry Strategies are <i>not</i> based on :</p> <p>(A) Capacity of the shipping-line normally used by a company</p> <p>(B) Import Policy of the foreign country</p> <p>(C) Costs of manufacturing products abroad</p> <p>(D) Requirement of company's products in foreign markets</p> <p>41. The person who introduced the term 'entrepreneur' was :</p> <p>(A) Peter Drucker</p> <p>(B) J.S. Mill</p> <p>(C) Richard Cantillon</p> <p>(D) Schumpeter</p> |
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42. Which is the key factor that an entrepreneur should focus on, in ensuring survival of his enterprises ?
- (A) Profits
- (B) Cash flow
- (C) Margin
- (D) Market Share
43. The idea that, 'Extra-ordinary individuals' are the source of entrepreneurial emergence, is put-forth by :
- (A) McClelland
- (B) Schumpeter
- (C) Weber
- (D) Drucker
44. In case of SSIs, who said that 'small is beautiful' ?
- (A) E.F. Schumacher
- (B) Peter Drucker
- (C) Mahatma Gandhi
- (D) Azim Premji
45. The transformation of an idea into useful application is termed as :
- (A) Creativity
- (B) Invention
- (C) Innovation
- (D) Syndication
46. Why should business be socially responsible ?
- (A) To protect customers' requirement
- (B) To increase reputation of the company
- (C) To protect and serve public interest
- (D) To go for organisational development

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| <p>47. Which of the practice will <i>not</i> create an ethical culture in an organization ?</p> <p>(A) Visible role models from an organization</p> <p>(B) Clearly communicating ethical expectations</p> <p>(C) Provide ethical training</p> <p>(D) Punishing whistle blowers</p> <p>48. In which corporate governance model do financial institutions have major say ?</p> <p>(A) American Model</p> <p>(B) German Model</p> <p>(C) Japanese Model</p> <p>(D) Indian Model</p> | <p>49. Dependability, predictability and faith are the three elements that constitute :</p> <p>(A) Values</p> <p>(B) Moral principles</p> <p>(C) Trust</p> <p>(D) Justice</p> <p>50. Corporate governance is the key :</p> <p>(A) To the integrity of corporations</p> <p>(B) To increase profit</p> <p>(C) To motivate employees</p> <p>(D) To implement government policies</p> |
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