



PG – 595

II Semester M.B.A. Degree Examination, July 2018
(CBCS Scheme)
MANAGEMENT

2.3 : Entrepreneurship and Ethics

Time : 3 Hours

Max. Marks : 70

SECTION – A

Answer **any five** questions from the following. **Each** question carries **5** marks.

(5×5=25)

1. Describe in brief essential characteristics of entrepreneurs.
2. What is the essential difference between creativity and innovation ?
3. Outline the sources of new ideas.
4. Briefly describe the main reasons for failure of new ventures.
5. With a suitable example explain franchising as entrepreneurial activity.
6. Define sole proprietorships. How does it differ from partnerships firm ?
7. Discuss in brief the following terms :
 - a) Business plan
 - b) Angel investor
 - c) Risk-taking ability.

SECTION – B

Answer **any three** questions from the following. **Each** question carries **10** marks.

(3×10=30)

8. Define entrepreneurship. With suitable examples discuss the opportunities available in India for setting up and start-ups new ventures and businesses.
9. What are the various sections of a business plan ? With suitable examples develop a business plan for a small start-up in India.
10. Write a descriptive essay on feasibility analysis and opportunity assessment with suitable examples.
11. Why is social entrepreneurship important in India ? With a suitable example describe social entrepreneurship in practice in India.

P.T.O.



SECTION – C

12. **Compulsory case study :** (1×15=15)

Inaaya has just completed the MBA from a Reputed Management Institute and has been offered a job in an MNC with an attractive salary package. However, she has been in a dilemma as to whether to accept the offer or to start a venture on her own. It has been a dream from childhood to start a business and become a successful business women. However, organising the capital, running around for getting various mandatory clearances and arranging finances have been an area of concern for her whenever she thought of setting up a business on her own. Her parents have been advising her to accept the job as it offers the comfort of a secure job with no major uncertainties. There were suggestions that the pressure of handling a business on her own will be high and being a lady she would find it tough to move on. However, she has been feeling from the day of her campus interview that she has been detained to do bigger things in life.

She had consulted some of her professors and visited some successful business women. After much deliberations and thought, she decided not to accept the job offer and instead planned a business venture on her own. She decided to start a mini cafe with the USP of traditional and homely taste. Most of the recipe were decided by her grand mother. The cafe which started as a small outlet with no seating capacity became popular within a span of time. She was very particular in maintaining the quality and taste of the products since, it was guided by her grandmother, the traditional taste could be maintained. The fact that they prepare the items at home, the incidental cost due to intermediaries could be saved. Thus she could maintain the quality and price.

Soon the business became a success. However, many people in the vicinity got inspired with the Idea and started trying the same business model. This led to stiff competition. She has realised that the profits from the business decreasing due to reduced volume of sales. She is now in a pricing dilemma as to whether to increase the price of products at the risk of losing some customers to her competitors who may sell it cheaper or to keep the price steady at the risk of incurring losses.

- a) Does Inaaya possess the major qualities that are required to become a successful entrepreneur ? Explain.
 - b) What strategies should Inaaya adopt to sustain her business in the market in the light of the stiff competition she started to face.
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PG – 870

II Semester M.B.A. Degree Examination, July 2017
(CBCS Scheme)
MANAGEMENT
Paper – 2.3 : Entrepreneurship and Ethics

Time : 3 Hours

Max. Marks : 70

Instruction : Answer all Sections.

SECTION – A

Answer any five of the following questions. Each question carries five marks. (5×5=25)

1. "Entrepreneurs are not born, but made". Discuss.
2. How do small business estimate their financial requirements ?
3. Explain the social responsibilities of entrepreneurs.
4. What is franchising ? Explain the advantages of franchising.
5. Why do some business plans fail ? Explain.
6. Discuss the critical factors for new venture development.
7. What is code of conduct and how useful is it in promoting ethical behaviour ?

SECTION – B

Answer any three questions. Each question carries ten marks. (3×10=30)

8. Describe the predominance and contribution of new ventures in the economy.
9. Briefly describe each of the major segments to be covered in a business plan.
10. Identify and discuss the legal forms available for entrepreneurs structuring their ventures.
11. Explain the goals of Business ethics. What are pros and cons of business ethics ?

P.T.O.



SECTION - C

Case study : **Compulsory.**

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12. Jane's Evaluation :

Paul Medwick is a commercial banker. In the past month he has received loan applications from three entrepreneurs. All three have fledgling businesses with strong potential. However, Paul believes it is important to look at more than just the business itself; the individual also needs close scrutiny.

The three entrepreneurs are (1) Robin Wood, owner of a small delicatessen located in the heart of a thriving business district ; 2) Richard Trumpe, owner of a ten-minute oil-change-and-lube operation ; and 3) Phil Hartack, owner of a bookstore that specializes in best sellers and cookbooks. Paul has had the bank's outside consultant, Professor Jane Jackson, interview each of the three entrepreneurs. Jane has done a lot of work with entrepreneurs and after a couple of hours of discussion is usually able to evaluate a person's entrepreneurial qualities. In the past Jane has recommended 87 people for loans and only two of these ventures have failed. This success rate is much higher than that for commercial loans in general. Here is Jane's evaluation of the three people whom she interviewed.

CHARACTERISTIC	ROBIN WOOD	RICHARD TRUMPE	PHIL HARTACK
Perseverance	H	M	M
Drive to achieve	M	H	M
Initiative	M	H	M
Persistent problem solving	M	M	H
Tolerance for ambiguity	L	M	H
Integrity and reliability	H	M	H
Tolerance for failure	H	H	H



Creativity and innovativeness	M	H	M
Self-confidence	H	H	H
Independence	H	H	H

H = High

M = Medium

L = Low.

Questions :

- 1) Which of the three applicants do you think comes closest to having the mind-set of an ideal entrepreneur ? Why ?
- 2) To which applicant would you recommend that the bank lend money ? (Assume each has asked for a loan of \$ 50,000). Defend your answer.
- 3) Can these three entrepreneurs do anything to improve their entrepreneurial profile and their chances for success ? Be specific in your answer.



PG – 920

II Semester M.B.A. Degree Examination, July 2016
(CBCS)
MANAGEMENT
2.3 : Entrepreneurship and Ethics

Time : 3 Hours

Max. Marks : 70

SECTION – A

(5×5=25)

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

1. Briefly explain the types of entrepreneurs.
2. What are the challenges of new venture start-ups ?
3. Discuss the steps involved in subjecting a business idea to a feasibility analysis.
4. What factors should an entrepreneur consider before choosing a form of ownership ?
5. Write a brief note on 'Social Entrepreneurship'.
6. What is code of conduct and how useful is it in promoting ethical behaviour ?
7. How can entrepreneurs develop a position of ethical leadership in business today ?

SECTION – B

(3×10=30)

Answer **any three** questions. **Each** question carries **ten** marks.

8. Discuss the importance and characteristics of entrepreneurs.
9. Explain the sources of finance for new venture.
10. Discuss the arguments for and against business ethics.
11. Describe the elements of a solid Business plan.

P.T.O.

12. Case study : **Compulsory :****A Question of Incorporation :**

The Harlow family opened its first motel in 1982. Initially, business was slow. It took almost 11 months to break even and three years for the Harlows to feel that the operation was going to be a success. They stuck with it and by 1987 they were able to increase the size of the motel from 28 to 50 rooms. They expanded again in 1989, this time to 100 rooms. In each case, the motel's occupancy rate was so high that the Harlows had to turn people away during the months of April to September and the occupancy rate was 85 percent during the other months. By industry standards, their business was one of the most successful motels in the country.

As they entered the 1990s, Harold and Becky Harlow decided that, rather than expanding, they would be better off buying another motel, perhaps in a nearby locale. They chose to hire someone to run their current operation and spend most of their time at the new location until they had it running properly. In 1992, they made their purchase. Like their first motel, the second location was an overwhelming success within a few years. From then on, the Harlows bought a number of new motels. By 1999, they had seven motels with an average of 100 rooms per unit.

During all of this time, Becky and Harold kept their own financial records, bringing in a certified public accountant only once a year to close the books and prepare their income tax returns. Last week the new accountant asked them how long they intended to keep running seven motels. The Harlows told him that they enjoyed the operation and hoped to keep at it for another ten years, when they planned to sell out and retire.

Harold admitted that trying to keep all of the motels going at the same time was difficult but noted that he had some excellent managers working for him. The accountant asked him whether he would consider incorporating. "If you incorporate," he said, "You could sell stock and use the money to buy more motels. Additionally, you could keep some of the stock for yourself so you could maintain control of the operation, sell some for expansion purposes and sell the



rest to raise some money you can put aside in a savings account or some conservative investment. That way, if things go bad, you still will have a nest egg built up.” The accountant also explained to Harold and Becky that, as a partnership, they are currently responsible for all business debts. With a corporation, they would have limited liability; that is, if the corporation failed, the creditors could not sue them for their personal assets. In this way, their assets would be protected, so the money Harold would get for selling the stock would be safely tucked away.

The Harlows admitted that they had never really considered another form of organization. They always assumed that a partnership was the best form for them. Now they are willing to examine the benefits of a corporation and they will go ahead and incorporate their business if this approach promises them greater advantages.

Questions :

- 1) What are the advantages and disadvantages of a partnership ?
 - 2) Contrast the advantages and disadvantages of a partnership with those of a corporation.
 - 3) Provide your opinion on whether the Harlows should incorporate.
 - 4) Would the LLC option be of value to them ? Explain.
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PG – 991

II Semester M.B.A. Degree Examination, June/July 2015
(CBCS Scheme)
MANAGEMENT
Paper – 2.3 : Entrepreneurship and Ethics

Time : 3 Hours

Max. Marks : 70

SECTION – A

Answer **any five** of the following questions. **Each** question carries **five** marks. Answer to **each** question should **not** exceed **250** words. **(5×5=25)**

1. What are the economic and social significance of Entrepreneurs ?
2. Explain the factors which cause poor growth of Entrepreneurship.
3. Identify an Entrepreneurial opportunity of your choice and explain its strength and weaknesses.
4. Explain, why, start-ups management is more important for Entrepreneurial success.
5. What are the components of a Business plan ? Explain.
6. Explain the suitability of Franchising and Private Limited Companies as legal structure of an Enterprise.
7. Explain the point of difference between social Entrepreneur and other Entrepreneurs.

SECTION – B

Answer **any three** of the following questions. **Each** question carries **10** marks. Answer to **each** question should **not** exceed **500** words. **(3×10=30)**

8. Discuss the various factors which cause emergence of Entrepreneurs.
9. Discuss the relevance of social Entrepreneurship for a country like India.
10. Discuss the need and importance of Business Ethics. Also explain the role of a ethical leader in Entrepreneurial success.
11. For a hypothetical business idea, develop a detailed business plan.

P.T.O.



SECTION – C
(Compulsory)

12. Read the case and answer the questions given below :

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Reeta Singh, 45 years old in January 2000, the founder of Mesco Company with an annual turnover of Rs. 1,500 crore had to put hard labour to reach to the pinnacle of her success. When she was just 7 years old, her father retired from the post of lecturer. She got married with an Air Force Officer at the age of 19 years. When she felt boredom after marriage, she planned to start a milk dairy. She started it with three buffaloes at Hindon near Ghaziabad. She started earning profits from selling milk and thought to expand her dairy business. However, it was not accepted to the luck. Her husband was, meanwhile, transferred to Sarwana. Like most of the Indian wives, she joined her husband at Sarwana but certainly with her innate enterprising attitude.

That place and situations do not deter one from marching ahead in accomplishing one's mission was certified by Reeta Singh by installing a Sugar Plant at Sarwana. She was so strong in her mission that she dared to do her own even the risky jobs like driving tractors packed with sugarcane. There came yet another trial for her. Her husband had to retire 20 years before his super annuation age as he fell prey to paralysis. Now, there was no other option for Reeta Singh but struggle and struggle. This struggle period sparked an altogether new business idea in her head. Reeta Singh started thinking of venturing into the export business that was least known to her. But she was firm on it and her ardent effort brought an order for the tune of 5,000 tons of Tepeo (a kind of cattle fodder) to supply to Germany and America. Reeta Singh somehow complied with the order without any sufficient capital at her disposal and toured Germany all alone. Though she did not earn any profit out of her business tour to Germany, she could well understand the complex procedure involved in export business. This came as a turning point in her life. Then, there was no looking back for Reeta Singh.

The Hindi word 'Singh' means lion. The name 'Reeta Singh' symbolises 'lion'. She was so strong in strengths and serious in efforts as lion is. Today, the outcomes of Reeta Singh's tireless hard labour to achieve greater and greater things in life are the Mesco Pharmaceuticals, Steel plant, Leather Goods, Shoe Company, and Mesco Airlines. There is no denying of the fact that to erect such



a gigantic business empire and to reach to her self-actualisation stage, Reeta Singh underwent through every trial of struggles she was put in. That is why her success founded on series of struggles has made Reeta Singh inclined to simple life and ordinary things. She does not like much to join the status symbol parties till late night. What she likes is to look after her business empire by travelling abroad in her own two Helicopters. She likes to pass her holidays in her holiday home in Mauritius. In fact, her likings are bundles of contradictions. While she likes to be adorned with diamond and pearl, she loves to remember her days of struggle by looking at people travelling on rickshaws and in jampacked DTC and blue line buses while travelling in her costliest Rolls Royes on the heavily crowded roads in the national capital city of Delhi. This is not the end of her likings. Last time, she also contested from the Ghaziabad parliamentary constituency which she lost. She wants to live life with fulfilment for which she is always ready to take any risk.

Reeta Singh believes : “Risk needs to be taken in life because it is impossible to climb the stairs of success without taking risks”.

Questions :

- 1) In your opinion, which theory of motivation does apply to Reeta Singh ?
 - 2) Discuss the major entrepreneurial competencies that you find in this case.
 - 3) Develop a SWOT matrix for the above business Entities.
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