

GUJARAT TECHNOLOGICAL UNIVERSITY**MBA – SEMESTER 3 – • EXAMINATION – SUMMER 2016****Subject Code: 2830007****Date: 02/05/2016****Subject Name: New Enterprise and Innovation Management****Time: 10.30 am to 01.30 pm****Total Marks: 70****Instructions:**

1. Attempt all questions.
2. Make suitable assumptions wherever necessary.
3. Figures to the right indicate full marks.

Q.1 (a) Select the Correct options**6**

1. Which of the following is not considered a common characteristic of an entrepreneur?
A. Internal Locus of Control B. High need for achievement
C. External locus of control D. Willingness to take risks
2. Common reasons for entrepreneurial failure include all but which one of the following?
A. Poor Implementation B. Lack of financial support
C. Faulty product design D. Ineffective Human Resource
3. _____ is defined as a form of business that is an association of two or more people acting as co-owners of a business.
A. Proprietorship B. Partnership
C. Conglomerate D. Corporation
4. _____ financing is raising money by selling part of the ownership of the business to investors.
A. Debt B. Equity
C. Public Offering D. Venture Capitalist
5. If an entrepreneur's business is based on current technology, an uncontrollable risk might be
A. Changes in consumer tastes B. New technology developments
C. Weather changes D. Fashion Trends
6. Which of the following is NOT included in the financial section of a business plan?
A. Projected income statements B. Break even point
C. Startup costs D. None of the above

Q1 (b). Define/Answer in Short:**4**

1. Intrapreneurial Characteristics
2. Patent Infringement
3. Licensing
4. Balance of Payments

Q1 (c) A successful Entrepreneur possesses distinct Competences. Explain each.**4****Q2 (a) Distinguish between Entrepreneurial and Intrapreneurial mind. What are the****7**

characteristics of the Intrapreneurial leadership?

Q2 (b) Entrepreneurship plays a vital role in the Economic Development of a country. Explain the different modes of entry through which an entrepreneur can enter International markets. 7

OR

Q2 (b) How male entrepreneurs differ from female entrepreneurs? Explain the differential context with an example of your choice. 7

Q3 (a) Explain the different legal forms of business in detail. 7

Q3 (b) What is difference between innovation and invention? Explain different types of innovation with special reference of a product or an industry of your choice. 7

OR

Q3(a) In what ways have the internet and the e commerce changed the way companies interact with the customers and conduct business? 7

Q3(b) What is feasibility analysis? Which are the different studies needs to be undertaken by an entrepreneur while preparing his/her project appraisal/report? 7

Q4(a) Explain the different sources of finance. Name few sources of venture capitalist financing in India. 7

Q4(b) Which are the different forms of strategic alliances through which an entrepreneur can expand his/her business? Explain it with a relevant example. 7

OR

Q4(a) Describe various monetary and non-monetary incentives provided to promote SSI in India / Gujarat. 7

Q4(b) What is a business plan? Who writes and reads the business plan? Prepare an outline of business plan with an industry of your choice. 7

Q5 Mrs. Renu Gupta was an intelligent, creative and energetic woman. In spite of being an M.Sc in Chemistry, she was a homemaker. She wanted to supplement her family income, but did not want to take up a job. She met an American who was interested in artificial jewellery. She got the jewellery items made by local artisans and then showed them to the American customer, who was highly appreciative. Later, a few arrangements were made and Renu managed to some orders from the American contact.

After the success of one order, slowly she started expanding her business in global markets. Together with bank loans and money from friends and relatives, she diversified into the export markets. Besides jewellery, she tried her hand at ordering cane furniture. She discovered that there was less competition in the case of cane furniture. She would hold exhibitions to sell cane furniture in domestic markets as well. Through observations, direct interactions with the customers and reading, she formed practical ideas about the type that would appeal to western customers. Thus, slowly and gradually she could sell in domestic as well as in global markets. Later, she stopped taking part in exhibitions and thus did not allow anyone to see her designs. Only trusted employees were allowed to see the designs and since employees were happy and satisfied, there was no question of any breach of trust.

Questions:

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a). Identify the working environment of Renu Gupta.

b). Critically examine “think global and act local” in the case of Renu Gupta.

OR

Samsung and the Importance of Cultural Competency

Managers or employees from different cultural and geographic backgrounds have unique opportunities to reach out to new markets and understand ways to extend their products in new markets. Better understanding of other cultures, customs and concerns helps managers increase customer satisfaction and customer loyalty.

Part of cultural competency is not only understanding different languages, but also understanding different food choices, customs, how people want to be addressed, and even how much space should be between people. In some cultures, people are taught not to interrupt or not to look someone in the eye. So managers need to understand how to invite those people in. Often the formality of a culture is tied to the age of that culture. The older the culture, the more formal it usually is.

South Korean Samsung Electronics – responsible for the popular tablet computer Galaxy Tab - believes that global expansion is critical to the sustainable growth of the company. A variety of programmes are in place to recruit and retain global talent, and understanding different cultures is a must as it searches across China, India, Russia, the US and every corner of the globe for staff – 85 percent of Samsung Electronics’ sales are in overseas markets and half of the regular staff are foreign workers.

Source: www.samsung.com. accessed January 27, 2012. Reaching Beyond Borders (rewritten by Jan Adriaanse and Jean-Pierre van der Rest).

Questions:

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- a). Why is market expansion important to business?
- b). Why do managers need to understand the culture of people from different geographic backgrounds?
