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**III Semester M.B.A. (Day & Eve.) Degree Examination, March/April - 2022****MANAGEMENT****Management of SMEs and Family Business****(CBCS Scheme 2019 onwards)****Paper : 3.5.2****Time : 3 Hours****Maximum Marks : 70****SECTION - A**Answer any **five** questions from the following each question carries **5** marks. **(5×5=25)**

1. Delineate the role of managers and entrepreneurs.
2. What are the financial crises of new start up and discuss its measures?
3. Is there a direct relationship between entrepreneurship and economic development? Explain.
4. What are the main causes for sickness of small business units? What remedial measures do you suggest?
5. Explain the important of External expertise in Family Business.
6. A non - family manager act as a bridge between CEO and outside adviser explain.
7. Explain the pit falls in family business and measures to overcome the same.

**SECTION - B**Answer any **three** questions from the following each question carries **10** marks. **(3×10=30)**

8. Define MSMEs? Briefly explain about the Significance of MSMEs in India? What Policies do the Government has taken for development of Entrepreneurship in the country.
9. Bring out and explain the political and technical aspects of managing SMEs?
10. Why market study is important for small entrepreneurs? Bring out the Financial Planning for SMEs?
11. "Human Resource is prioritizing key focus area in managing MSMEs" justify the statemnet with suitable illustrations with the context of HR planning, training and retaining in MSME?

**SECTION - C**

12. **Compulsory Case Study :** **(1×15=15)**

When she was 11 years old, Kim sampled chocolate at a candy store and thought she could do better. She made her own recipe and began selling small candy bars in her home town of Arizona. The effort was much like that of many youngsters who open lemonade stands to earn a few dollars to spend at movies. However, people began asking her for more. Using profits and her mothers kitchen, Kim began making large batches of candy, then designed her own wrappers and developed a commission system for friends who sold chocolatés at several schools. Business was so good that it became an obsession.

**[P.T.O.]**





Kim worked after school, weekends and holidays and aside from brief period when the health department suspended her operations until she could obtain proper permits to cook candy, she made candy by hand until she graduated from high school. at first, she could meet demand without special equipment or scarifying other activities, but when she provided candy for a school fund raising event demand exceeded capacity and Kim found herself buying professional equipmet, hiring helpers, and purchasing bulk supplies. Looking back, Kim recalls the obsession, the long hours and the challenges to learn about the business. Always on the initiative, Kim set about placing order with local stores and developing contracts with dozen of school and civic organizations. Her business, Kim's chocolate boutique. During her first month, she had 1800 orders and before graduating from high school, Kim repositioned her company as a major distributor of specialty candies and began planning a chain of upscale chocolates shops. The chain would complement her candy manufaturing and distribution system, but it would alos mean major changes in the organization. She paused to think about her plans, realizing that to launch a regional or national chain would mean a corporate Endeavour. She and her family could not handle all the responsibilities and the nature of Kim's chocolates would change. This was nto pleasant thought, although the idea of pursuing major business was exciting, reflecting on her business, Kim realized that she had fun and made a great deal of money, but many people considered her success no more than the luck of a personality, young lady who made good candies and accidentally stumbled into a few good markets. On the other hand, Kim knew that she had worked extremely hard to attract the clients. Most of her customers not been comfortable buying from young high school student and she was seldom taken seriously by customers until they had dealth with her for a long time. Winning over her customers had always been challenges to Kim, not roadlock and creating unusual candies had been a joy, not a job. Thinking about her plans, she was anxious to become a corportate manager, although he had always worked well with others, Kim liked the feeling of independence. Running a company would mean sacrificing her autonomy, yet the idea of a chain of stores selling her candies had been a dream of year. at the same time, expansion would mean financial risk and Kim had always avoided debt. She dealt in cash and had always carefully calculated her expenses to avoid even the slightest loss. She realized that she was at major cross whether to follow her dream and expand or to be content with her existing business.

**Questions :**

1. Identify the entrepreneurial characteristics of Kim and how they correspond to characteristics described for successful entrepreneurs.
  2. Take a position regarding the decision facing Kim whether to expand into a chain of stores. Explain your position in terms of personal objectives you perceive essential to Kim and in terms of her perceived abilities.
  3. Outline what is and could further be the innovation element in business perspectives?
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