

HALL TICKET NO.

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**Ph.D. Management Studies
Entrance Examination-2016
(75 Marks)**

INSTRUCTIONS:

1. Write your Hall Ticket Number in the OMR Answer sheet given to you. Also write the Hall Ticket Number in the space provided above.
2. The question paper booklet consists of Part A and B which carries 75 questions. Each question carries one (1) mark.
3. The questions contains in Part A cover areas of Managerial Economics, Research Methodology, General and Strategic Management (1 -25 questions) and Part B contains questions in Marketing, Finance, Human Resource Management, Organizational Behaviour Operations Research and Operations Management (26-75 questions).
4. There is negative marking for Part A. Each wrong Answer carries -0.33 marks.
5. Answers are to be marked on the OMR answer sheet following the instructions provided there upon.
6. Hand over the OMR answer sheet to the invigilator before leaving the examination hall.
7. No additional sheets will be provided. Rough work can be done in the question paper itself or in the space provided at the end of the booklet.
8. Calculators, mobile phones and electronic gadgets are not allowed.

PART-A

1. Which of the following is a first degree price discrimination?
 - A. The monopolist is able to sell each separate unit of the product at different price and takes entire consumer surplus.
 - B. The monopolist is able to charge separate prices for different blocks or quantities of a commodity from buyers and takes only part but not entire consumer surplus.
 - C. The seller divides the buyers two or more submarkets and sells the same product at different prices in these markets.
 - D. All of the above are correct.

2. Which of the following is true regarding perfect competition?
 - I. The firms are price takers.
 - II. Marginal revenue equals the price of the product.
 - III. Established firms have no advantage over new firms.
 - A. II and III
 - B. I only
 - C. I and II
 - D. I, II and III

3. Which of the following has highest consumer surplus? Consumer surplus - (consumer ready to pay more or the difference between Average Revenue and Marginal Revenue)
 - A. Luxury goods
 - B. Comforts
 - C. Necessities
 - D. Conventional necessities

4. If elasticity of price is -2, then percentage of mark-up is:
 - A. 100%
 - B. 50%
 - C. 25%
 - D. It is impossible to determine

5. Given the demand function $P=110-Q^2$ and assuming that at market equilibrium $Q_0=9$ and $P_0=29$, the consumers' surplus is:
 - A. 486
 - B. 586
 - C. 686
 - D. 786

6. The strongest evidence for causality comes from which of the following research methods?
 - A. Experimental
 - B. Causal-comparative
 - C. Correlational
 - D. Ethnography

7. Which scientific method often focuses on generating new hypotheses and theories?
- Deductive method
 - Inductive method
 - Hypothesis method
 - Pattern method
8. Identify the following term that most closely refers to a judgment of the extent to which scores from a test can be used to infer, or predict, the examinees' performance in some activity:
- Content reliability
 - Face validity
 - Criterion-related validity
 - Inference validity
9. What is meta-analysis?
- A technique of correcting for the errors in individual studies within a survey of a large number of studies, to demonstrate the effect of a particular variable
 - A process of secondary-data gathering to assemble all the possibilities for a variable's effects
 - A substitute for original research, which is justified by constraints of time or money
 - A specialized step in a computer software program (e.g. SPSS)
10. Triangulation involves:
- Collecting data from a variety of different sources.
 - Consulting the works of three other researchers.
 - Consulting the works of authors with the same perspective as the researcher.
 - The use of three different research tools in one study.
11. Respondents are asked to rate an attitude object on a number of multiple-point rating scales bounded at each end by one of two bipolar adjectives or phrases. This type of question is called:
- Dichotomous
 - Semantic differential
 - Multiple choice
 - Rating scale
12. The Pearson product moment correlation measures the degree of _____ relationship present between two variables.
- Curvilinear
 - Nonlinear
 - Linear and quadratic
 - Linear

13. The Reliance Retail often categorizes various consumer attitudes and behaviors according to the demographic characteristics of the sample group. The firm's efforts would be best described as:
- A. Causal research.
 - B. Exploratory research.
 - C. Descriptive research.
 - D. Casual research.
14. A _____ is a numerical characteristic of a sample and a _____ is a numerical characteristic of a population.
- A. Sample, population
 - B. Population, sample
 - C. Statistic, parameter
 - D. Parameter, statistic
15. A researcher found that liking of extreme sports was related to age: the older people were, the less likely they were to report liking extreme sports. He also found that extroversion varied with age: younger people were more likely to score higher on extroversion. This is an example of a _____ relationship
- A. Causal
 - B. Spurious
 - C. Triangular
 - D. Bivariate
16. The name given to a philosophy and set of methods & techniques that stressed the scientific study and organisation of work for the purpose of increasing efficiency is
- A. Scientific Management
 - B. Selective Management
 - C. Line and Staff Management
 - D. Committee Management
17. The tendency to dispense decision making authority in an organised structure is
- A. Recentralisation
 - B. Decentralisation
 - C. Complete Recentralisation
 - D. All of the above
18. Which of the following would **not** be an accurate depiction of the differences between strategic and tactical planning?
- A. Strategic planning is developed mainly by upper-level management and tactical planning is generally developed by lower-level management
 - B. Facts for strategic planning are generally easier to gather than facts for tactical planning
 - C. Strategic plans generally contain less details than tactical plans
 - D. Strategic plans generally cover a longer period of time than tactical plans

19. Which of the following is an advantage of the functional structure?
- A. It follows principle of occupational specialization
 - B. It permits growth and diversity of products and services
 - C. There is better face-to-face communication with local interests
 - D. There is improved environmental monitoring
20. Controls can be classified based on timing or stage in the production process. Which of the following statements is **not true** about the various types of controls?
- A. Preventive controls are used prior to the start of activity and feedback controls follow completion of activity
 - B. Concurrent controls are used during the performance of activity and feedforward controls prior to start of activity
 - C. Quality control tests of output are an example of concurrent control
 - D. Steering controls are used following completion of activity
21. 'Reputation' in the context of an organization's resources can provide competitive advantage because:
- A. It is based on word-of-mouth
 - B. It is difficult to copy
 - C. It is a threshold resource
 - D. It is explicit
22. Which of the following is not a purpose of strategic thinking?
- A. To realize what needs to change
 - B. To establish the agenda for managing strategic change
 - C. To clarify future direction
 - D. To allocate scarce resources
23. Corporate governance is a central issue to strategic leadership and shows to employees and broader stakeholders of the ethical stance of those managing and leading change in the firm. Which of the following governance forms is likely to contradict an ethical standpoint on the execution of leadership power?
- A. Board of directors is supplemented by independent non-executive directors bringing experience and expertise.
 - B. Chairman holds the CEO position to expedite decision-making and streamlining the executive board.
 - C. Executive team is based on a balance of skills and experience.
 - D. Members of the executive team are appointed based on their perceived value-added.

24. Acquisitions often fail to deliver the successes that were predicted prior to acquisition. What is the main reason for this failure?
- A. Premium price
 - B. Poor strategic leadership
 - C. Goodwill
 - D. Synergy
25. Strategy effectiveness and competitive success is dependent on which of the following groups of competencies?
- A. Change, planning, learning
 - B. Content, change, planning
 - C. Content, change, learning
 - D. Learning, planning, content

PART-B

26. When Coca-Cola and Nestle formed a joint venture to market a ready-to-drink coffee and tea worldwide, the type of marketing system that was formed would best be described as:
- A. Vertical marketing system
 - B. Parallel marketing system
 - C. Diversified marketing system
 - D. Horizontal marketing system
27. Which of the following is the stage at which a company develops the product concept into a physical product in order to assure that the product idea can be turned into a workable product.
- A. Product development
 - B. Commercialization
 - C. Marketing strategy
 - D. Business analysis
28. The concept that holds that consumers will favor products that are available and highly affordable is known as
- A. Product concept
 - B. Production concept
 - C. Production cost expansion concept
 - D. Marketing concept

29. When producers, wholesalers, and retailers act as a unified system, they comprise a:
- A. Conventional marketing system
 - B. Power-based marketing system
 - C. Horizontal marketing system
 - D. Vertical marketing system
30. The type of trade-promotion discount in which manufacturers agree to reduce the price to the retailer in exchange for the retailer's agreement to feature the manufacturer's products in some way is known as:
- A. Promotional discount.
 - B. Promotional allowance
 - C. Promotional premium
 - D. Promotional rebate
31. The fact that services cannot be stored for later use or sale is evidence of their:
- A. Intangibility.
 - B. Inseparability.
 - C. Variability.
 - D. Perishability
32. Which is the step in the selling process in which the salesperson learns as much as possible about a prospective customer before making a sales call.
- A. Prospecting
 - B. Pre approach
 - C. Approach
 - D. Handling objections
33. Consumer goods with unique characteristics or brand identification often requiring a special purchase effort are called:
- A. Custom products
 - B. Specialty products.
 - C. Convenience products
 - D. Shopping products
34. Which of the following is the promotion strategy that calls for using the sales force and trade promotion to move the product through channels.
- A. Push strategy
 - B. Pull strategy
 - C. Blocking strategy
 - D. Integrated strategy

35. _____ is setting the price steps between various products in a product line based on cost differences between the products, customer evaluations of different features, and competitors' prices.
- A. Optional-product pricing
 - B. Captive-product pricing
 - C. Product line pricing
 - D. By-product pricing

36. Quality Function Deployment _____
- A. is a tool for translating customer requirements into concrete operating and engineering goals.
 - B. facilitates inter-functional cooperation between marketing, engineering, and manufacturing.
 - C. provides a better understanding and focus on process characteristics that require improvements.
 - D. both A and B

37. Consider the following data from a company annual report:

Sales	Rs.10,00,000
Cost of Goods sold	Rs.8,00,000
Raw material inventory	Rs.1,00,000
Finished goods inventory	Rs. 75,000
Work-in-Process	Rs. 25,000

The inventory turnover for this company is:

- A. 4.0
 - B. 8.0
 - C. 10.67
 - D. 32.0
38. Given that the previous forecast of 65 turned out to be four units less than the actual demand and the next forecast is 66, what would be the value of alpha if the simple exponential smoothing forecast method is being used?
- A. 0.02
 - B. 0.4
 - C. 0.04
 - D. 0.25
39. Work measurement techniques include all of the following except:
- A. On the job training
 - B. Time study
 - C. Work sampling
 - D. Predetermined motion-time data systems

40. The first activity of purchasing cycle is :
- A. Communicating requirement to the purchase department
 - B. Source selection and development
 - C. Recognizing the need for procurement
 - D. Inspection of source
41. If the EOQ assumptions are met and a company orders more than the economic order quantity then:
- A. Total annual holding cost will be greater than the total annual ordering cost
 - B. Total annual holding cost will be less than the total annual ordering cost
 - C. Total annual holding cost will be equal to the total annual ordering cost
 - D. Total annual holding cost will be equal to the total annual purchase cost
42. Although all of the EOQ assumptions are not met in a particular situation, a person used the formulas associated with this and computed $EOQ = 200$ and $ROP = 30$. If demand is variable and safety stock is necessary, how should this inventory policy be modified?
- A. The order quantity should be higher than 200
 - B. The order quantity should be lower than 200
 - C. The reorder point should be greater than 30
 - D. The reorder point should be less than 30
43. Which of the following would cause a change in the feasible region?
- A. Increasing an objective function coefficient in maximization problem
 - B. Adding a redundant constraint
 - C. Changing the right-hand side of a non-redundant constraint
 - D. Increasing an objective function coefficient in a minimization problem
44. A typical transportation problem has 4 sources and 3 destinations. How many decision variables would there be in the linear program for this
- A. 3
 - B. 4
 - C. 7
 - D. 12
45. If in optimal tableau of an LP problem an artificial variable is present in the solution mix, this implies
- A. Infeasibility
 - B. Unboundedness
 - C. Degeneracy
 - D. Alternate optimal solution

46. If the project completion time is normally distributed and the due date for the project is greater than the expected completion time, then the probability that the project will be finished by the due date is
- Less than 0.50
 - Greater than 0.50
 - Equal to 0.50
 - Undeterminable without more information
47. Cars enter the drive-through of a fast food restaurant to place an order, and then they proceed to pay for the food and pick up the order. This is an example of
- A Multichannel system
 - Multiphase system
 - Multi queue system
 - None of the above
48. Which of the following is not correct?
- An activity represents a task which has definite beginning and a definite end
 - An activity cannot start unless all its immediate predecessors are completed
 - For every activity the terminal node should bear a number higher than the one born by the initial node
 - Inclusion of more than desired number of dummy activities in a network can cause a delay in the completion of the project.
49. Which of the following is not correct?
- For the items that deteriorate gradually operating and maintenance cost steadily increase with passage of time, whereas depreciation per year decreases with time
 - Optimum replacement interval is the minimum time elapsing between the successive replacements
 - Optimum replacement interval is the time elapsing between successive replacements that involves minimum average total cost.
 - While total depreciation of depreciable items increases with passage of time, the successive years depreciation usually declines.
50. Project A and Project B are mutually exclusive. Project A has an IRR of 10 percent. Project B has an IRR of 12 percent. If the marginal cost of capital is 11 percent, then:
- Project A should be accepted and Project B rejected.
 - Project B should be accepted and Project A rejected.
 - Both projects should be accepted since the decision is not based on the IRR but the NPV.
 - Both projects should be rejected since the decision is not based on the IRR but the NPV.

51. A series of fixed payments that are made fixed intervals at the beginning of each period is called:
- A. An annuity due.
 - B. An ordinary annuity.
 - C. A payback annuity.
 - D. Compounding.
52. Suppose that Ramesh borrows Rs. 300,000 from the First National State Bank at 2.5 percent interest compounded annually to purchase a new home. Ramesh agrees to repay the loan in 30 equal annual instalments, with the first payment due at the end of the first year. How much are Ramesh's annual payments?
- A. Rs.14,333.25.
 - B. Rs.15,666.35.
 - C. Rs.16,777.45.
 - D. None of the above.
53. Capital Market Line is firstly initiated by
- A. Mohsin
 - B. Linter
 - C. Markowitz
 - D. William Sharpe
54. If generally interest rates in nation increase, a corporate bond with a fixed interest rate will usually
- A. Increase in value
 - B. Remain unchanged
 - C. Decrease in value.
 - D. Be returned to corporation.
55. Which type of market efficiency declares that current security prices totally reflect all information, equally public and private
- A. Weak
 - B. Semi-strong
 - C. Strong
 - D. None of these
56. A liquid asset may
- A. Be converted into cash
 - B. Be converted into cash with little chance of loss
 - C. Not be converted into cash
 - D. Not be converted without loss

57. How are earnings per share calculated?
- A. Use the income statement to determine earnings after taxes (net income) and divide by the previous period's earnings after taxes. Then subtract 1 from the previously calculated value.
 - B. Use the income statement to determine earnings after taxes (net income) and divide by the number of common shares outstanding.
 - C. Use the income statement to determine earnings after taxes (net income) and divide by the number of common and preferred shares outstanding.
 - D. Use the income statement to determine earnings after taxes (net income) and divide by the forecasted period's earnings after taxes. Then subtract 1 from the previously calculated value.
58. The cost of monitoring management is considered to be a (an):
- A. Bankruptcy cost.
 - B. Transaction cost.
 - C. Agency cost.
 - D. Institutional cost.
59. The mix of debt and equity in a firm is referred to as the firm's:
- A. Primary capital
 - B. Capital composition
 - C. Cost of capital
 - D. Capital structure
60. Which of the following would be inconsistent with a healthy approach to financing working capital?
- A. Financing short-term needs with short-term funds.
 - B. Financing permanent inventory build-up with long-term debt.
 - C. Financing seasonal needs with short-term funds.
 - D. Financing some long-term needs with short-term funds.
61. The use of financial leverage by a firm may be measured by the
- A. Ratio of debt to total assets
 - B. Firm's beta coefficient
 - C. Firm's retention of earnings
 - D. Ratio of the price of the firm's stock price to its earnings

62. The net asset value of a mutual fund investing in stock rises with
- A. Higher stock prices
 - B. lower equity values
 - C. An increased number of shares
 - D. Increased liabilities
63. You own a large orange grove and will be harvesting from November through April. To hedge against Price risks you should
- A. Sell orange juice contracts with a November delivery
 - B. Buy orange juice contracts with a November delivery
 - C. Sell orange juice contracts with delivery dates between November and April
 - D. Buy orange juice contracts with delivery dates between November and April
64. The components of Attitude are
- A. Affective
 - B. Cognitive
 - C. Behavioural
 - D. All of the above
65. Transactional Analysis was Introduced by
- A. David C. McClelland
 - B. Layman Porter
 - C. Ohio State University
 - D. Eric Berne
66. The barriers that keeps women away from reaching the highest level in an organisation.
- A. Stress & work life balance
 - B. Glass ceiling
 - C. Fiedlers theory
 - D. None of the Above
67. The two dimensions of managerial grid are
- A. Concern for Production and Concern for people
 - B. Concern for product & Management
 - C. Both A&B
 - D. None of the Above

68. The Stages of Collective Bargaining are
- A. Negotiation Stage & Contract Stage
 - B. Individual Bargaining & Omission
 - C. Bargainable Issues & Result oriented Talk
 - D. None of the above
69. The Term Knowledge Management was coined by
- A. Kael Wing
 - B. Lee Iacocca
 - C. Harry Ingham
 - D. Juran
70. The Techniques of HRD are
- A. Performance Appraisal & Potential Appraisal
 - B. Career Planning & Carrier Development
 - C. Organisational Change & Development
 - D. All of the Above
71. The art or process of influencing people so that they will strive willingly and enthusiastically towards the achievement of group goals is
- A. Group Cohesiveness
 - B. Group Huddling
 - C. Leadership
 - D. Group Dynamics
72. What sort of goals does Management By Objectives (MBO) emphasize?
- A. Tangible, verifiable and measurable
 - B. Achievable, controllable and profitable
 - C. Challenging, emotional and constructive
 - D. Hierarchical, attainable and effective
73. ERG theory of motivation was proposed by
- A. Maslow
 - B. F. Herzberg
 - C. Alderfer
 - D. Mc Gregor
74. Least Preferred Co-worker (LPC) model of leadership was developed by
- A. Martin Evans
 - B. Robert House
 - C. Fred Fielder
 - D. Whetton

75. Suspending an employee for dishonest behaviour is an example of which method of shaping behaviour?
- A. Extinction
 - B. Negative reinforcement
 - C. Punishment
 - D. Reaction
