

Seat No.: _____

Enrolment No. _____

GUJARAT TECHNOLOGICAL UNIVERSITY

MBA. Sem-III Regular & Evening Examination January 2011

Subject code: 830003

Subject Name: New Enterprise and Innovation Management

Date: 05 /01 /2011

Time: 10.30 am – 01.00 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) Discuss the concept of Enterprise, Entrepreneur and Entrepreneurship. Elaborate on the role of entrepreneurship in the economic development at the regional level and at the National level giving suitable examples. **07**

(b) Discuss the new and emerging paradigms of the competitive business world today and in the decade to come. **07**

In the context of these emerging paradigms, discuss why it is relevant for managers to develop an entrepreneurial mind and qualities.

Q.2 (a) Discuss the major components of a Detailed Project Report / Business Plan giving suitable examples. Explain the importance of each major component. **07**

(b) Discuss the various sources of short term and long term finance. **07**

OR

(b) Discuss the various precautions that an entrepreneur needs to take while preparing a Detailed Project Report. Also discuss where does a project report fail giving suitable examples. **07**

Q.3 (a) Given that the importance of SSIs has been recognized, a strong Institutional support is a must. Elaborate, highlighting the various Institutional support for non financial aid available to SSIs in India. **07**

(b) Write a note on Capacity Building for Entrepreneurs and the role of EDII . **07**

OR

Q.3 (a) The Government appreciates the need for the development of SSIs and hence has set up various Institutions / bodies for financial support. Elaborate, highlighting the various financial support, incentives and benefits extended to SSIs in India. **07**

(b) Write a note on various tax liabilities in starting a Unit. Also elaborate on the various Project Appraisal Criteria . **07**

Q.4 Mrs. Ropa Gupta was an intelligent, creative and energetic lady. An M.Sc. in Chemistry, she was a housewife. Her husband, an M.A. in economics, was a bank official. Both hailed from a non- business background. Mrs Gupta wanted to get absorbed in a creative activity with some earning potential.

Rural Crafts and metal handicrafts held a special appeal for her. She started giving outlet for her creative urge by participating in annual exhibitions organized by NGOs. Winning prizes and appreciation increased her interest in crafts.

At one such exhibition, she came into contact with an American interested in artificial jewellery. Mrs. Gupta, got these fabricated through local artisans, and showed them to the American customer, who was highly appreciative. Subsequently, an arrangement was made to book a few consignments to the USA through an exporter.

After the success of this endeavour, Mrs Gupta looked to the prospects in export business. Together with a bank loan and money from friends and relatives, she floated their own exporting firm, Medha International. Ornaments, brassware, paper mache products and lacquer miniatures from Andhra Pradesh and Jaipur constituted the main items of export.

During her foreign tours Mrs. Gupta discovered that ornamental cane furniture could be another promising export item. Through observation, direct interaction with customers and reading, she formed a practical idea about the type and design of caneware that would appeal to the western customers.

Back home, she explored the north eastern regions of the country to find out about cane products available there. Mrs. Gupta quickly switched over to exporting cane furniture only, as there was no competition at all. She provided work to all 60 traditional artisans and tribals who took pride in the fact that their work traveled globally and that they contributed to the country's earnings.

Mrs. Gupta's marketing strategy was simple. She would display her wares at exhibitions in different parts of the world and book orders directly. Every year, Mrs. Gupta would come up with new designs. She did not take part in exhibitions in India nor did she allow anybody to see her designs. This step eliminated any possibility of imitation and resultant in competition. Only trusted employees were allowed to see the designs and since the employees were a satisfied, happy lot, there was no question of any breach of trust.

- (a) Identify the entrepreneurial traits exhibited by Mrs. Gupta and the working environment established by her to be a successful entrepreneur. **07**
- (b) Critically examine "think global and act local" in the case of Roopa Gupta. How do you think this attribute helps an enterprise's growth. **07**

OR

- Q.4** (a) Examine the Entrepreneurial Core Competencies that help initialize a business idea, help lead the business to its growth profile and lead the enterprise to go global. **07**
- (b) The path of entrepreneurship is normally filled with challenges. Discuss the various external and internal challenges faced by small – scale enterprises at various phases. Also discuss efforts that entrepreneurs can make to overcome these challenges. **07**

- Q.5** (a) Elaborate on what organizational culture must prevail in organizations in order to support Innovation. Give suitable examples. **07**
- (b) Discuss the difference between and the meaning of invention and innovation. Detail any two Innovations that you know of and elaborate on how have these innovations helped/ can help the society in specific and the economic development of the local region / country, in general. **07**

OR

- Q.5** (a) Discuss what you understand by Innovation and what is the role of Innovation in successful entrepreneurship during various stages of the enterprise's business life cycle. Discuss quoting suitable examples. **07**
- (b) Discuss ONE example for each of the following with the name of the organization which has conducted it and a brief explanation of the innovation done/made. **07**
 - i) Product Innovation
 - ii) Process Innovation
 - iii) Management Innovation
 - iv) Organisational Innovation
 - v) Marketing / Commercial Innovation
 - vi) Production Innovation
 - vii) Service Innovation
 - viii) Technological Innovation
