

Mid-West University
Examinations Management Office
Surkhet, Nepal
Final Examination-2078
Bachelor of Business Administration (BBA)
Semester - V

R.No.

Subject: International Business Environment
Full Marks: 100 Pass Marks: 50

Course Code: MGT 451
Time: 3:00 Hours

SECTION A: MULTIPLE CHOICE QUESTIONS (1 × 15 = 15 MARKS) / (TIME: 15 MINUTES)

Tick the *best* answers.

1. Rapid integration of inter-connection between countries is known as
 - a. Privatization
 - b. Liberalization
 - c. Globalization
 - d. Socialization
2. Which one factor is not included in the Porter's five forces model?
 - a. Supplier
 - b. Buyer
 - c. Industry rivalry
 - d. Complementary products
3. The theory of comparative cost advantage is propounded by
 - a. Adam Smith
 - b. Ohlin and Heckscher
 - c. David Ricardo
 - d. FW Taussig
4. What is the first step to be international for a company?
 - a. FDI
 - b. Franchise
 - c. Exporting
 - d. Licensing
5. Which one of the followings do not facilitate globalization?
 - a. Improvements in communication
 - b. Immigration controls
 - c. Removal of controls on movement of capital across borders.
 - d. Barriers to trade and investment
6. The Heckscher-Ohlin model is principally focused on
 - a. International trade
 - b. Supply and demand
 - c. Normative economics
 - d. Production possibility frontier
7. If a nation has an open economy it means that the nation:
 - a. Allows private ownership of capital
 - b. Has flexible exchange rates
 - c. Has fixed exchange rates
 - d. Conducts trade with other countries.
8. Removing barriers or restrictions set by the government is called:
 - a. Liberalization
 - b. Investment
 - c. Favourable trade
 - d. Free trade
9. The followings one factor does not differentiate international business from domestic one.
 - a. Different currencies
 - b. Product quality
 - c. Product mobility
 - d. Trade polices
10. A floating exchange rate
 - a. Is determined by the national governments involved.
 - b. Remains extremely stable over long period of time.
 - c. Is allowed to vary according to market forces.
 - d. Is determined by the actions of central banks.
11. Which one of the followings is a pull factor in emigration?
 - a. Politics
 - b. Infrastructure
 - c. Job opportunities
 - d. Communication

12. Hedging is used by companies to;
- a. Decrease the variability of tax paid
 - b. Decrease the spread between spot and forward market quotes
 - c. Increase the variability of expected cash flows
 - d. Decrease the variability of expected cash flows
13. Subsidiaries consider the regional environment for policy formulation is known as.....
- a. Polycentric approach
 - b. Regiocentric approach
 - c. Ethnocentric approach
 - d. Geocentric approach
14. IBRD stands for...
- a. International Board for Research and Development
 - b. International Bank for Reconstruction and Development
 - c. International Bank for Research Development
 - d. International Barrier for Reconstruction and Development
15. Ultimately.....was replaced by theon 1st Jan 1995
- a. GATS, WTO
 - b. WTO, GATT
 - c. GATT, WTO
 - d. IMF, GATT

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SECTION B: SHORT ANSWER QUESTIONS (8 × 5 = 40 MARKS)

Answer any **EIGHT** questions:

1. Define international business and explain its significance.
2. Explain the forms of globalization.
3. What difference do you find between the theory of absolute and comparative advantage?
4. Briefly explain the principles of WTO.
5. Give an overview about the World Bank.
6. Define foreign investment. Explain its benefits.
7. Explain the rationale of government's influence in international trade.
8. What are the challenges to Nepal from WTO membership?
9. Explain the opportunities from regional integration and cooperation.
10. What is gold standard? Why did the gold standard collapse?

SECTION C: LONG ANSWER QUESTIONS (3 × 10 = 30 MARKS)

Answer any **THREE** questions:

11. What are the opportunities emerging in international business from the globalization market process?
12. Define foreign direct investment (FDI). What are the opportunities and threats created by the FDI to Nepalese business? Explain.
13. Explain the mode of payment in international trade. Which mode of payment is more secured in international trade? Why? Discuss.
14. Define multinational corporations. Explain the merits and demerits of MNCs.
15. Debate the relative merits of fixed and floating exchange rate regimes. From the perspective of an international business, what are the most important criteria in a choice between the systems?

SECTION D: CASE STUDY (15 MARKS)

16. Read a case given below and answer the following questions:

United States based Starbucks Corporation primarily engaged in selling premium roasted coffees started its first global operation in 1995 targeting Japan. Established in 1970 in Seattle, the USA, it has currently more than 6000 stores with the global operation that includes Mexico, Canada, UK, Taiwan, China, Singapore, Thailand, New Zealand, South Korea, Malaysia, Europe etc.

In Asia, Starbucks's most common strategy was to license its formats to a local operator in written for initial licensing fees and royalties on store revenues. It also sold coffee and related products to the local licensees. The licensees were to enter into agreement for strict quality components and expansion, failure of which could revoke. For eg, in Thailand the licensee was required to open 20 Starbucks coffee store in the country within 5 years. However, it was not met and Starbucks acquired the business at US dollar 12 million.

Starbucks mostly operated through franchisee in North America and in Japan via successful joint venture with Sazaby Inc. Robust growth in China has inspired Starbucks to grow coffee in China itself. As per a deal signed with officials in Yunan province, Starbucks will develop and operate farm and processing facilities. Yunan coffee is among the best in Asia. The Starbucks started its firms operation in China at Beijing in 1999 and now 800 coffee shops in China and plan to open another 1000 stores in the years ahead. Its main competitors are McDonald's, McCafes and Hong Kong's Pacific coffee in China.

Beginning in 2000, Starbucks also started selling Fair Trade coffee in its stores. It was a kind of campaign of Starbucks against public interest where coffee houses were blamed charging higher price to coffee lovers paying very low price to the real coffee bean growing farmers. Starbucks guaranteed a minimum purchase price in advance for such farmers around the globe. The system of issuing fair trade certificate initiated for the coffee houses ensured a fair value for coffee bean producers as a part of social obligation for the company like Starbucks.

Questions:

- a. What are the different modes of entry for Starbucks across the nations? Why do such modes differ formcountry to country?
- b. Write down the merits and demerits of licensing, franchising and joint venture mode of entry for Starbucks.
- c. What could be the reasons for Starbucks for selling Fair Trade Coffee pointing out the social responsibility of global company?

THE END

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R.No.

Subject: Strategic Management
Full Marks: 100 Pass Marks: 50

Course Code: MGT 452
Time: 3:00 Hours

SECTION A: MULTIPLE CHOICE QUESTIONS (1 × 15 = 15 MARKS) / (TIME: 15 MINUTES)

Tick the *best* answers.

1. Strategic management is
 - a. An identification of the purpose of the organization and the plans and actions to achieve that purpose.
 - b. The study of behavioral dynamics of the organization.
 - c. Ongoing monitoring, analysis and assessment of the organizational activities.
 - d. All of the above.
2. Divestment and liquidation are the
 - a. diversification strategy.
 - b. expansion strategy.
 - c. stability strategy.
 - d. retrenchment strategy.
3. VRIO framework stands for
 - a. Value, Reliable, Imitable and Organized for Usage
 - b. Value, Rare, Imitable and Organized for Usage
 - c. Value, Rare, Imitable and Objective
 - d. Value, Realistic, Imitable and Objective
4. Support activities of Porter's Value Chain Model consist of
 - a. infrastructure, procurement, technology, and operation.
 - b. infrastructure, human resource management, operation, and service.
 - c. infrastructure, human resource management, procurement, and technology.
 - d. infrastructure, procurement, technology, and marketing.
5. Comparative analysis is the analysis of strengths and weaknesses on the basis of
 - a. Historical data, industry norms and Benchmarking
 - b. Classical approach, Scientific approach and Behavioral approach
 - c. Historical data, Departmental performance and Benchmarking
 - d. None of the above
6. Balance score card as explained by Kaplan indicates the dimension of
 - a. Customer
 - b. Finance
 - c. Internal Processes and Learning and Growth
 - d. All of the above
7. Entry barrier is high when
 - a. new companies can easily join the industry.
 - b. investment is too low.
 - c. new companies find difficulty in joining the industry.
 - d. no copyright issues.
8. A business plan is
 - a. an essential written document that provides an overview of your company's future.
 - b. an essential written document that provides financial data of the company.
 - c. an essential written document that provides succession planning information.
 - d. None of the above.

9. Perceptual mapping is the essential component of
- a. human resource plan
 - b. financial plan
 - c. operational plan
 - d. marketing plan.
10. Key strategy success indicators are
- a. specific, measurable, and achievable.
 - b. profitability, attractive, and explorative.
 - c. suitability, acceptability, and feasibility.
 - d. none of the above.
11. The strategies that combine weaknesses and threats are
- a. defensive strategy
 - b. aggressive strategy
 - c. cooperative strategy
 - d. retrenchment strategy
12. Activity Based Costing is
- a. a way of analyzing company's business activities through value chain analysis.
 - b. a way of analyzing company's business activities through time period.
 - c. a way of analyzing company's business activities through products.
 - d. a way of analyzing company's business activities through markets.
13. FOUR quadrant framework of BCG matrix includes
- a. Cows, Question marks, Dogs and Cash Stars.
 - b. Question cows, Dogs, Stars and Cash questions.
 - c. Cash Dogs, Question Marks, Cows and Stars.
 - d. Cash cows, Question marks, Dogs and Stars.
14. Best cost provider strategy is a
- a. low cost strategy.
 - b. hybrid strategy.
 - c. differentiation strategy.
 - d. focused strategy.
15. Forms of strategic alliances are
- a. ownership, contract and market based.
 - b. ownership, joint venture and consortia.
 - c. contract, licensing and franchising.
 - d. subcontracting, networks and opportunistic alliances.

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SECTION B: SHORT ANSWER QUESTIONS (8 × 5 = 40 MARKS)

Answer any **EIGHT** questions:

1. Explain the vocabulary of the strategic management such as vision, mission, objectives and goals with examples.
2. Why do organizations create strategic maps for their companies? Explain.
3. Historical analysis is considered to be better than benchmarking in comparative analysis. Do you agree? Justify with suitable examples.
4. Describe Porter's Value Chain Model. Please provide relevant examples.
5. Briefly explain the SPACE matrix with examples.
6. What is the purpose of preparing EFE (External Factor Evaluation) Matrix? Please demonstrate with examples.
7. What are the criteria to evaluate strategy success? Provide detailed accounts of the indicators of strategy success.
8. Companies are found involving themselves in the different kinds of strategic alliances. Provide the reasons for forming alliances.
9. Illustrate the different types of organizational structure for strategy implementation.
10. What are the different types of grand generic strategies? Provide a brief description of each strategy.

SECTION C: LONG ANSWER QUESTIONS (3 × 10 = 30 MARKS)

Answer any **THREE** questions:

11. Evaluate strategic clock oriented market based generic strategies with examples.
12. Explain the different types of diversification strategies with examples.
13. Strategic management does not seem to be specific like marketing management, financial management etc. Still it is considered to be the essential aspect of business processes. Why do you think so?
14. Imagine you are in online business that deals in groceries. Describe Porter's Five-Forces Model in the context of this online grocery business.
15. Explain strategic options. Also show what the conditions to achieve each strategic option are required.

SECTION D: CASE STUDY (15 MARKS)

16. Read a case given below and answer the following questions:

Building dynamic capabilities in a new venture

HMD Clinical is an Edinburgh-based clinical technological new venture that seeks to make large-scale clinical trials more efficient for drug development companies. HMD initially provided bespoke services using telephony technology (for example, interactive voice recognition) to monitor clinical trials. However, this was problematic, principally due to human error. HMD therefore sought to develop a product based on another technology – radiofrequency identification. HMD felt this would also offer the prospect of market diversification, especially through international expansion. However, making changes to the company's

product market domain called for capabilities to expand or modify HMD's current configuration of resources and capabilities – in other words, for dynamic capabilities.

HMD decided to partner with a large established firm, which HMD saw as a potential source of legitimacy, resources and opportunities: Sun Microsystems, a multinational corporation with a significant presence in Scotland. Co-founder Ian Davison commented, 'There's a certain cache in being associated with a big company.' Sun was interested in HMD's product idea and within months there was progress in establishing the alliance. Davison believes that considerable benefit was derived by HMD: 'We got what we wanted out of the relationship because we managed to build a prototype using the Sun technology.' HMD's experience also illustrates the building of dynamic capabilities at various levels.

Opportunities arose for mutual learning. From HMD's perspective, the venture benefited from exposure to new technological ideas. Of particular advantage was Sun's ability to tap into its widespread resources and capabilities elsewhere in the UK and beyond (for example, Western Europe). Also, Sun's reputation opened doors for HMD. When the prototype was built, HMD made a joint sales call with Sun to a prospective international customer and a demonstration was subsequently held on Sun's Scottish premises. Such activities facilitated experiential learning about processes such as product development and sales.

There were also further benefits for HMD:

- *Product development.* In developing a prototype with Sun, HMD engaged in integrating resources and capabilities to achieve synergies; for example, its own customer-centric technological knowledge in the clinical trials domain was combined with Sun's hardware technology architecture.
- *Alliancing.* Through inputs from a public sector intermediary, HMD gained vital knowledge about formal aspects of alliancing, such as the legalities of sharing intellectual property; equally, HMD came to appreciate the utility of informal social networking in ensuring the smooth progress of joint activity.
- *Strategic decision making.* HMD was able to build new thinking within the firm in terms of, for example, the identification of external knowledge sources as evident from subsequent decisions to expand the alliance to include a third partner.

At the individual level within HMD managers also learned 'new tricks' by engaging in informal routines such as brainstorming sessions and everyday activities such as negotiating. Managers claimed that such learning would help HMD approach its next alliance by replicating certain aspects while modifying others. Davison commented: 'In future we would approach this sort of relationship in a broadly similar manner [but] I think we would attempt to set some clearer company goals and boundaries at the outset.'

Questions:

- a. At what levels could dynamic capabilities be for organizational benefits?
- b. How do network relationships, such as strategic partnerships, potentially contribute to dynamic capability development?
- c. What other joint activities within, and across, organizations could give rise to dynamic capabilities?
How?

THE END

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R.No.

Subject: Management Accounting
Full Marks: 100 Pass Marks: 50

Course Code: MGT 453
Time: 3:00 Hours

SECTION A: MULTIPLE CHOICE QUESTIONS (1 × 15 = 15 MARKS) / (TIME: 15 MINUTES)

Tick the *best* answers.

1. Which one of the following is the feature of management accounting?
 - a. Historical nature
 - b. Mandatory
 - c. Guided by GAAP
 - d. Reporting to internal users
2. Management accounting produces information to;
 - a. Government
 - b. Suppliers
 - c. Managers
 - d. None of above
3. Sitara Company reported net sales of Rs.50,00,000 and a total cost of Rs. 40,00,000. How much would be the total fixed cost, if the variable cost ratio is 60% ?
 - a. Rs.10,00,000
 - b. Rs. 16,00,000
 - c. Rs.12,00,000
 - d. Rs.6,40,000
4. Net income reported by variable costing is given Rs. 100,000. The opening and closing stock are 15,000 and 20,000 respectively with SFOR Rs.5. Then the net income reported by absorption costing would be:
 - a. Rs.75,000
 - b. Rs. 125,000
 - c. Rs.100,000
 - d. Rs. 80,000
5. A manufacturing company has set a standard of 4kg material to produce one unit of output. The standard price per kg is Rs.5. The company produced 20,000 units of actual output using 85,000 kg @ Rs.4.5each. The material price variance would be:
 - a. Rs.50,000
 - b. Rs.55,000
 - c. Rs. 42,500
 - d. Rs.85,000
6. The cost which remains unchanged at a different level of output is called:
 - a. Variable cost
 - b. Semi-variable cost
 - c. Fixed cost
 - d. Step fixed cost
7. Which of the following is not variable cost?
 - a. Rent of building
 - b. Direct wages
 - c. Direct labor
 - d. Other direct expenses
8. Which of the following statement is not true?
 - a. Variable costing income statement aims to report managers.
 - b. Under variable costing, the inventorial cost includes prime cost and variable overheads only.
 - c. Under absorption costing, the inventorial cost includes prime cost and total overheads.
 - d. Variable costing income statement always reports a lower amount of profit.

9. Which of the following is the irrelevant cost for decision-making?
- Variable cost.
 - Opportunity cost
 - Joint or allocated fixed cost
 - Additional cost incurred for an alternative
10. When beginning inventory 20,000 units, budgeted sales 100,000 units, and ending inventory 25,000 units, then production units would be:
- 1,05,000
 - 120,000
 - 125,000
 - 75,000
11. The total cost is Rs.60,000 and Rs. 100,000 respectively for the output level 10,000 and 20,000 units. Then the VCPU and FC would be:
- Rs. 4 and Rs.40,000
 - Rs. 4 and Rs.20,000
 - Rs.6 and 90,000
 - Rs.5 and Rs. 40,000
12. Fixed cost of a company is Rs.18,00,000, sales are Rs. 50,00,000 with CM Ratio is 30%. Then the BEP Rs would be:
- Rs.50,00,000
 - Rs. 60,00,000
 - Rs. 70,00,000
 - Rs. 30,00,000
13. Total cost at 30,000 units level is Rs. Rs.900,000 of which 60% is variable cost. How much will be the budgeted cost for 50,000 units?
- Rs.900,000
 - Rs.12,60,000
 - Rs. 15,00,000
 - Rs.12,00,000
14. The net income reported by the Variable Costing and Absorption Costing will be the same when;
- Beginning inventory equals ending inventory.
 - Beginning inventory more than ending inventory.
 - Beginning inventory less than ending inventory.
 - Sales units more than production units.
15. Which of the following is not the assumption of cost volume profit analysis?
- The total cost should be divided into fixed and variable components.
 - The fixed cost is not remaining constant.
 - SPPU and VCPU will remain unchanged.
 - Production equals sales.

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You are required to answer in your own words as far as applicable. The figures in the margin indicate full marks.

SECTION B: SHORT ANSWER QUESTIONS (8 × 5 = 40 MARKS)

Answer any **EIGHT** questions:

1. Differentiate between cost and management accounting.
2. What are the objectives of management accounting?
3. Define variable and fixed costs with suitable examples.
4. Write, in brief, about the importance of cost volume profit analysis.
5. Define the flexible budget. Also, state the importance of a flexible budget.
6. Sungava Company has provided the following information regarding its labor cost;

Standard: one unit of output needs 4 DLH @ Rs.10 per DLH

The actual result shows that the company produced 15,000 units using 65,000 DLH of material @ Rs.9 per DLH.

Required: Labour efficiency, rate, and cost variance

7. Chitwan producer has an annual capacity of 100,000 units of which 80% is currently utilized. The company received an offer of 15,000 units at a reduced price of Rs.80 per unit. The regular selling price is Rs.100, the variable cost per unit is Rs.70 and the total fixed cost for the period is Rs.150,000.

Required: Should the company accept the special offer?

8. Surkhet Company provided the following information:

Month	January	February	March	April
Budgeted sales	Rs.10,00,000	Rs.12,00,000	Rs.14,00,000	Rs.16,00,000

The gross profit margin is 40%. The inventory planning of the house is to meet the sales order for the next month.

Required: Merchandise purchase budget for the first three months

9. Delta Company provided the following information:

Variable cost per unit Rs.12, selling price per unit is Rs.20, and fixed cost Rs.160,000.

Required:

- a. BEP units
- b. Margin of safety
- c. Desired sales to earn Rs. 80,000 profits

10. Following are the information relating to overheads.

Normal capacity 100,000 DLH with normal fixed cost Rs.500,000

Standard hour per DLH = 2hrs

Variable overhead rate = Rs. 5 per hrs.

Actual output = 55,000 units

Actual labor hour worked = 105,000 DLH with actual overheads Rs. 10,50,000

Required: Three overhead variances

SECTION C: LONG ANSWER QUESTIONS (3 × 10 = 30 MARKS)

Answer any **THREE** questions:

11. "Management accounting assists manager by providing information for planning and decision making". In the light of this statement, highlight the importance of management accounting.
12. What is cost volume profit analysis? What are the main assumptions of CVP analysis?
13. The manufacturing overhead cost of a company at the different volumes of production would be as given below:

Production in units	25,000	50,000
Direct material	50,000	100,000
Direct labour	75,000.	150,000
Indirect material	100,000	200,000
Indirect labor	150,000	300,000
Supervision cost	50,000	75,000
Heat, light, and power	70,000	120,000
Depreciation and others	120,000	120,000

Required: Flexible budget for 40,000 and 60,000 units of output showing cost per unit

14. Nepalgunj manufacturing company manufactured 70,000 units, supplied the following information for the year-end.

Opening stock (units)	10,000
Sales (units)	65,000
Fixed manufacturing cost at normal volume 80,000 units	240,000
Fixed selling expenses (Rs.)	40,000
Direct material cost per unit	Rs. 15
Direct labor cost per unit	Rs. 10
Variable manufacturing cost per unit	Rs. 5
Variable selling expenses per unit	Rs. 2
Selling price per unit	Rs. 60

Required:

- a. Income statement under absorption costing.
 - b. Income statement under variable costing
15. A Company Limited has provided the following income statement for the year:

Products	A	B
Sales units	10,000	15,000
Selling price per unit	Rs. 100	Rs.90
Variable cost per unit	70	75
Less: Fixed cost:		
Departmental	100,000	200,000
Joint fixed cost		250,000

Required:

- a. Overall BEP units
- b. Desired sales units to earn Rs. 90,000
- c. Desired sales units to earn Rs. 75,000 profits after tax, assuming tax rate is 25%

SECTION D: CASE STUDY (15 MARKS)

16. Read the **case** given below and answer the following questions:

Nepal Lever Ltd. has a strong belief in using highly decentralized management. As a new manager of its small "Apex" stores, you have been asked to prepare a complete master budget for your store for June, July, and August. The store has the following data as of May 31, 2018.

Balance Sheet		Recent and Projected Sales	
Cash	Rs 29,000	April	Rs 300,000
Inventory	420,000	May	350,000
Accounts receivable	400,000	June	700,000
Net furniture	168,000	July	400,000
Total assets	<u>10,17,000</u>	August	400,000
Accounts payable	425,000	September	300,000
Retained earnings	81,000		
Owners' equity	511,000		
Total liabilities and owners' equities	Rs 10,17,000		

Cash sales will be 20% and credit sales will be 80% of total sales. Credit accounts are collected 50% in the month following the sale and 50% in the next following month. Assume that bad debt is negligible and can be ignored. The average gross profit on sales is 40%.

The policy is to acquire enough inventories each month to equal the following month's projected sales. All purchases are paid for in the month following the purchase.

Salaries, wages, and commissions average 10% of sales; all other variable expenses are also 10% of sales. Fixed expenses for rent, property taxes, miscellaneous payroll, and other items are total Rs 55,000 monthly. Assume that these variable and fixed expenses are required to pay in the same month of occurrence. Depreciation is Rs 2,500 monthly.

Assume that a minimum cash balance of Rs 25,000 is to be maintained. Also, assume that all borrowings are effective at the beginning of the month and all repayments are made at the end of the month of repayment. Interests are paid only at the time of repaying principal. The interest rate is 12% per annum. All loans and repayments of principal must be made in multiples of 1,000 rupees.

Required:

- Merchandise purchase budget for three months June, July, and August.
- Cash collection and disbursement budget.
- Budgeted income statement for three months ending August.
- Budgeted balance sheet as of August end.

THE END

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R.No.

Subject: Research Methodology
Full Marks: 100 Pass Marks: 50

Course Code: MGT 454
Time: 3:00 Hours

SECTION A: MULTIPLE CHOICE QUESTIONS (1 × 15 = 15 MARKS) / (TIME: 15 MINUTES)

Tick the *best* answers.

1. Applied research is the type of research that:
 - a. is made for performing the basic or pure research; it's theoretical research.
 - b. is intended for finding some solution to the problem considered.
 - c. includes fact-finding enquires and surveys.
 - d. uses available information as the base to make the further critical evaluation.
2. Research hypotheses is:
 - a. formulated prior to a review of the literature
 - b. statements of predicted relationships between variables
 - c. stated such that they can be confirmed or refuted
 - d. b and c
3. The research studies that explore the effect of one thing on another and more specifically, the effect of one variable on another are known as:
 - a. Causal research
 - b. Applied research
 - c. Conclusive research
 - d. Exploratory research
4. Research design is:
 - a. A way of conducting research that is not grounded in theory.
 - b. The choice between using qualitative or quantitative methods.
 - c. The style in which you present your research findings, e.g. a graph.
 - d. A blueprint and framework for every stage of the collection and analysis of data.
5. A deductive theory is one that:
 - a. Allows theory to emerge out of the data
 - b. Involves testing an explicitly defined hypothesis
 - c. Allows for findings to feedback into the stock of knowledge
 - d. Uses qualitative methods whenever possible
6. Which of the following is not a data collection method?
 - a. Research question
 - b. Unstructured interviewing
 - c. Postal survey questionnaires
 - d. Participant observation
7. Researcher review the relevant literature to know:
 - a. What is already known about the topic
 - b. What concepts and theories have been applied to the topic
 - c. Who are the key contributors to the topic
 - d. All of the above

8. A simple random sample is one in which:
 - a. Every unit of the population has an equal chance of being selected.
 - b. Every nth unit from the sampling frame is selected.
 - c. Making the result difficult to generalize.
 - d. The researcher has a certain quota of respondents to fill for various social groups.
9. Which of the following is non-probability sampling?

a. Snowball	c. Cluster
b. Random	d. Stratified
10. In group interview there are:
 - a. One interviewer and one interviewee
 - b. More than one interviewer and one interviewee
 - c. One interviewer and more than one interviewee
 - d. More than one interviewer and more than one interviewer
11. A study is "reliable" when:
 - a. It was conducted by a reputable researcher who can be trusted.
 - b. The measures devised for concepts are stable on different occasions.
 - c. The findings can be generalized to other social settings.
 - d. The methods are stated clearly enough for the research to be replicated.
12. Which of the following is not a form of measurement validity?

a. Concurrent validity	c. Conductive validity
b. Face validity	d. Convergent validity
13. The term secondary analysis refers to the technique of:
 - a. Conducting a study of seconds, minutes and other measures of time.
 - b. Analyzing existing data that have been collected by another person or organization.
 - c. Analyzing your own data in two different ways.
 - d. Working part time on a project alongside other responsibility.
14. The split-half method is used as a test of:

a. Stability	c. Inter-observer consistency
b. Internal reliability	d. External validity
15. Which one is correct citation for reference using APA style?
 - a. Poudel, S. R. (2018). Impact of credit risk on profitability of commercial banks in Nepal. Journal of Applied and Advanced Research, 3(6), 161-170.
 - b. Poudel, Shiva Raj. "Impact of credit risk on profitability of commercial banks in Nepal." Journal of Applied and Advanced Research 3, no. 6 (2018): 161-170.
 - c. Poudel, S.R., 2018. Impact of credit risk on profitability of commercial banks in Nepal. Journal of Applied and Advanced Research, 3(6), pp.161-170.
 - d. Poudel, Shiva Raj. "Impact of credit risk on profitability of commercial banks in Nepal." Journal of Applied and Advanced Research 3.6 (2018): 161-170.

Mid-West University
Examinations Management Office
Surkhet, Nepal
Final Examination-2078
Bachelor of Business Administration (BBA)
Semester - V

Subject: Research Methodology
Full Marks: 100 Pass Marks: 50

Course Code: MGT 454
Time: 3:00 Hours

You are required to answer in your own words as far as applicable. The figures in the margin indicate full marks.

SECTION B: SHORT ANSWER QUESTIONS (8 × 5 = 40 MARKS)

Answer any **EIGHT** questions:

1. Define research. What are the major purposes of conducting research?
2. What is literature review? Why literature review is important?
3. Differentiate between descriptive and explanatory research.
4. Define reliability and validity.
5. What are the major sources of measurement problem?
6. Identify the Key point of difference between stratified sampling and cluster Sampling.
7. Define dependent and independent variables.
8. List out the major factors to be considered while selecting a good research topic.
9. Define population parameters and sample statistics.
10. Briefly explain the purposes of preparing a research proposal.

SECTION C: LONG ANSWER QUESTIONS (3 × 10 = 30 MARKS)

Answer any **THREE** questions:

11. What are the key points of differences between basic and applied research?
12. What is research process? Describe each stage of the scientific research process.
13. What do you mean by measurement and scaling? Explain the most widely used classification of measurement scales with examples.
14. What is data collection? Discuss the various methods of data collection.
15. How would you define a research design? What are the significant elements of a research design?

SECTION D: CASE STUDY (15 MARKS)

16. Read the case given below and answer the following questions:

Rashu answered that the team was apathetic and there could be multiple reasons for this apathy. Thus, it was essential that the team be studied to identify what was the group reaction to the working conditions at Danish International. Also, it was important to identify what was perceived as the major problem area. Rashu have also of the opinion that there might be a difference between the old and new employees. Thus, this angle also was to be given due recognition when conducting a survey. Hasrat said, " this seems to be a logical approach to the problem, but don't you think that before you go the team members you must at least identify what could be the reasons for the lackluster performance at Danish International by looking at the other organizations or by talking to the human resource consultants who have some experience of the same'.

Rashu listened attentively and said, "I think there is a lot of merit in what you say. So, this is what I will do"

Questions:

- a. What is the research design (s) Rashu is likely to recommend? Why?
- b. Identify the variables, hypotheses and the research units under study.
- c. How could you possibly improve/maintain the accuracy of the results obtained?

THE END

Mid-West University
Examinations Management Office
Surkhet, Nepal
Final Examination-2078
Bachelor of Business Administration (BBA)
Semester - V

R.No.

Subject: Banking and Insurance Management
Full Marks: 100 Pass Marks: 50

Course Code: MGT 455
Time: 3:00 Hours

SECTION A: MULTIPLE CHOICE QUESTIONS (1 × 15 = 15 MARKS) / (TIME: 15 MINUTES)

Tick the **best** answers.

1. How many commercial banks are there in Nepal?
 - a. 27
 - b. 28
 - c. 26
 - d. 30
2. Which is the first commercial bank established in Nepal?
 - a. Nepal Rastra Bank
 - b. Rastriya Banijya Bank
 - c. Nepal Bank Limited
 - d. NIC Asia Bank
3. Who regulates, supervises and monitors banking and financial system in Nepal?
 - a. Government of Nepal
 - b. Rastriya Banijya Bank
 - c. Nepal Rashtra Bank
 - d. Ministry of Finance
4. Who is the current Governor of Nepal Rastra Bank?
 - a. Chiranjibi Nepal
 - b. Yuba Raj Khatiwada
 - c. Laxmi Nath Gautam
 - d. Maha Prasad Adhikari
5. The ___ of CRM deals with communication between companies and their customers.
 - a. Collaborative feature
 - b. Operational feature
 - c. Analytical feature
 - d. Automation feature
6. Elements of a risk management system are:
 - a. There should be a culture of risk awareness within the company.
 - b. There should be a system and processes for identifying, assessing and measuring risks.
 - c. There should be an efficient system of communicating information about risk and risk management to managers and the board of directors.
 - d. All of the above
7. Which among the following is not a pure risk?
 - a. Personal risk
 - b. Property risk
 - c. Loss of income risk
 - d. Strategic risk
8. ___ hazard increases the probability of loss due to dishonesty or character defects of an insured person.
 - a. Moral
 - b. Morale
 - c. Legal
 - d. Physical
9. Which of the following terms is not related to the insurance sector?
 - a. Indemnity
 - b. Coverage
 - c. Misuse Alert
 - d. Annuity
10. In Insurance policies we always find a date which is “Date of Maturity”. What does it mean?
 - a. This is the date on which the policy was sold to the customer/person insured.
 - b. This is the date on which the policy holder will have to submit his/her claim seeking the amount of the policy. Otherwise the company will not make any payment to him/her.

- c. This is the date on which the contract between the person and insurance company will come to an end.
 - d. None of the above.
11. The insurance companies collect a fixed amount from its customers at a fixed interval of time. What is it called?
- a. Installment
 - b. Contribution
 - c. Premium
 - d. EMI
12. What is the expanded form of the term ALM?
- a. Asset Liability Maintenance
 - b. Asset Liability Management
 - c. Asset Liability Manipulation
 - d. Asset Liability Maximisation
13. "A contract that pledges payment of an agreed upon amount to the person (or his/her nominee) on the happening of an event covered against" is technically known as:
- a. Death coverage
 - b. Life insurance
 - c. Savings for future
 - d. Provident fund
14. What is a credit card? A plastic card which:
- a. contains identification information
 - b. authorises named person to charge purchases/services
 - c. charges for which person will be billed periodically
 - d. all of the above
15. Which of the following is a function of central Bank?
- a. Accepting deposits of money from public with a purpose of lending or investment
 - b. Agency function of the Bank
 - c. Credit Creation
 - d. Banker to the Government

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Semester - V

Subject: Banking and Insurance Management

Course Code: MGT 455

Full Marks: 100 Pass Marks: 50

Time: 3:00 Hours

You are required to answer in your own words as far as applicable. The figures in the margin indicate full marks.

SECTION B: SHORT ANSWER QUESTIONS (8 × 5 = 40 MARKS)

Answer any **EIGHT** questions:

1. Explain the different types of risk associated in banking.
2. What are the various types of banks? Explain them in a brief.
3. What are the roles of Nepal Rastra Bank? Explain.
4. Briefly explain the advantages of Bancassurance.
5. Explain the principles of Lending.
6. What are the difference between banking business and other business?
7. Write, in brief, the functions of Beema Samiti.
8. Explain the ways of marketing insurance products.
9. What are the five C's in Credit? Explain.
10. Write brief about reinsurance and reason of reinsurance.

SECTION C: LONG ANSWER QUESTIONS (3 × 10 = 30 MARKS)

Answer any **THREE** questions:

11. Explain the various principles of insurance.
12. What do you understand by risk in insurance? Explain the various types of pure risk in insurance.
13. Currently, we are facing liquidity crisis in banking industry. Borrowers are not getting the loan from banks and economic activities are in slow pace. What are the reasons and remedies that should be taken by the stakeholders?
14. Today banks are relying on electronic means for distributing various services. Explain how these means increase the efficiency of bank. Also discuss the different types of risks associated with e-banking service.
15. What are the various services offered by banks? Explain.

SECTION D: CASE STUDY (15 MARKS)

16. Read the case given below and answer the following questions:

INSURERS are responding to the widening COVID-19 outbreak on multiple fronts—as claims payers, employers, and capital managers. Each has its own distinct challenges, not just for the insurance industry, but for the economy and society at large.

However, the most immediate concern for insurers is protecting the health and safety of employees and their distribution partners in the agent/broker community as they strive to maintain business continuity. Like the commercial policyholders they serve, insurers are being challenged to review and update their crisis management plans and take steps to continue operations with a minimum of disruption to clients.

If they haven't already done so, insurers should consider establishing cross-functional, emergency decision-making teams to coordinate the organization's response, set new safety protocols, and assure quicker action as conditions continue to evolve. A comprehensive communications system should also be in place to keep employees, distributors, and clients fully informed about the status of business continuity plans and instructions on how to remain personally safe.

One of the biggest challenges could be enabling alternative work arrangements for insurance company employees if needed to protect staff and adapt to possible office access restrictions, all while assuring business continuity.

Emphasis on efforts to contain the spread of COVID-19 may mean enabling insurance company staff—from actuaries to underwriters to claims managers—to work offsite, most likely from home. Insurers should ascertain whether employees can access necessary files and conduct business from remote locations. In addition, chief information security officers (CISOs) may need to establish new cyber security protocols to permit the safe exchange of confidential information among employees connecting from outside the office.

Many organizations are setting policies around remote access to support social distancing. As companies move toward remote protocols, chief information officers, chief technology officers, and CISOs should ensure that offsite workers have access to the following technology capabilities:

- A laptop or desktop computer, preferably equipment issued by the company
- A virtual private network to securely and remotely connect to critical business applications
- Collaboration tools to help with audio, video, and screen-sharing
- An adequately equipped and staffed IT support team to answer employees' questions and help them continue to do their jobs remotely

Insurers may have additional circumstances to consider to accommodate claims adjusters, who often need to travel to perform their jobs—both locally and to more distant locations. That could be problematic with the COVID-19 outbreak. What if an adjuster needs to go onsite to examine a claim for commercial or personal property damage, and one of the policyholder's family members or an employee who interacts with the adjuster is infected with COVID-19?

To avoid such circumstances, insurers may have to take additional safety steps such as setting new protocols for in-person interactions with claimants or requiring claims to be investigated from the office or an alternative remote location where possible—even those that normally require site visits.

Questions:

- a. From the article, highlight the major impact of COVID-19 on the insurance industry.
- b. What has been done by the insurance company to address continuity of the services to the stakeholders during the pandemic?
- c. In reference to the article, where does Nepalese insurance industry stand financially and socially against the COVID-19 pandemic?

THE END