**Case study-1**

The Hindustan heavy engineering ltd. requires 4000 units of a particular raw material per year. At the beginning of the current the purchase department excepts the purchase price @ 90 per unit while the Accounting department estimated the incremented cost processing. an order is 135 and the cost of storage is estimated to be 12 per unit. but the costing department is against the incremental processing cost of 135 per unit rather according to it, this should have been 80. At the commencement the supplier offers 4000 units @ 86 per unit.

The material will be delivered immediately and placed in a store. One of the directors of the company saw that ‘due to present communication system the incremental cost of placing an order is zero but the accounting department’s original estimate of 135 for placing an order for economic batch is correct. After a series of discussion of the department heads company reached to the decision not to buy 4000 units at a time.

Required:

(a)Do you agree with the company’s decision? why?

(b)What is the total cost, when incremental cost process on order is 135 per unit?

(c)What is the total cost, when incremental cost processing an order is 86?

**Case study-2**

This case study focuses on the challenges faced by women entrepreneurs in India due to lack of social support and stiff competition. it highlights the example of one real and recent Indian women entrepreneur, Megha Sharma was the founder and CEO of a company called “THE SAFFRON TOUCH”, who faced these challenges and overcame them through innovative strategies such as Crowd funding, Networking, and Digital Marketing. the case study also identifies strategies that women entrepreneurs can adopt to over come these challenges, such as participating in networking events and joining women entrepreneur groups, using digital marketing strategies, and using crowd funding platforms. the case study also underscores the importance of determination and hard work in achieving success as a women entrepreneur. the case study also points out the significance of government and non-government organizations in supporting women entrepreneurs in India.

Case study questions:

1. What are the main challenges faced by women entrepreneurs in India due to lack of social support and stiff competition?
2. How did Megha Sharma overcome the challenges of lack of access to finance and markets for her business?
3. What strategies can women entrepreneurs adopt to overcome the challenges of lack of social support and stiff competition?
4. How important is networking in helping women entrepreneur connect with potential customers and learn about market trends and customer preferences?
5. What role does digital marketing play in reaching a wider audience and increasing customer base for women entrepreneurs?

**CASE STUDY-3**

ABC Company is an engineering company with employee strength of 1,000. The company has a system of incentive linked monthly productivity bonus for the shop floor employees which serve the purpose of rewarding good work. The HR director. Mr. David has been facing a dilemma, how to evaluate the performance of middle management and how to link it with productivity. After deliberate discussions with the individual managers, he develops a plan. The plan is designed to enhance teamwork and provide incentives for improvement & excellence among middle level managers. Briefly the pay will be split into two components.

The first consists of 80% of original salary, which will be a fixed component and will be determined as before. The second component of 20% will be flexible and will depend upon ability of each team as a whole to show minimum of 5% improvement in their respective areas.

The scheme when discussed with managers received a number of negative remarks. One manager said that why should their performance depend upon the performance of other members of the team. The new pay scheme makes them team players first and specialist in their area next. Another objection was that why the good persons in the team should suffer, if the other members are not measuring up to the expectations. Moreover. there are number of external factors which affect the individual and collective performance. For example, if a product suddenly goes out of demand, affecting marketability, why should the consumed marketing team be penalized for something beyond its control.

Now Mr. David is in a tight position. The company has been the trend setter in executive compensation in Indian industry as they have been paying the best. Will the new plan ensure that it remains that way? If the plan succeeds ABC set another trend in executive compensation.

Questions:

1. Do you think it is appropriate to evaluate managers on the basis of productivity?

2. In your opinion, which is the most suitable criteria for incentive plans, individual performance or team performance?

3. If you were the HR director, what would you do?

**CASE STUDY-4**

Whole Foods Market is a supermarket chain with less than two-hundred stores selling healthy, gourmet products such as organic vegetables, free-range poultry, foods without artificial ingredients or hydrogenated fats, and many environment-friendly products such as non-polluting detergents and chlorine free diapers. The company began in the 1970s as a natural-food stores that catered to hippies. Through the purchase of small- health food stores in major cities, the company gained more exposure and access distribution channels for natural foods. During the late 1980s and the 1990s, the company's growth was fueled by the by the upsurge's in Americans' desire for healthy living and their interest in gourmet cooking. Whole Foods does very little advertisings but receives constant free media exposure because it is often mentioned in popular TV series, praised by celebrities on talk shows, and featured in newspapers and magazines as a business success story. The company educates consumers about foods, provides recipes, and even arranges trips where consumers meet with local fishermen. Its supermarket cashiers and stock personnel receive education about foods and team above average-wages. Whole Foods' prices are significantly higher than products in traditional supermarkets because the keys to its profitability and higher profit margins for products that traditionally yield slim margins, and much larger than per-square-foot sales than that of conventional supermarkets. But as the company's CEO pointed out, Americans spend far less of their income on food than other nations and that's why most of it doesn't taste very good; if they want to eat higher-quality foods, they have to pay for them. In 2005, Whole Foods stated its numbers to double the number of its stores by 2015.

Questions

1. Discuss the promotion strategy of Whole foods. Why or why not is it appropriate? Elaborate.

2. Discuss the Positioning of Whole Foods.

3. Do you think doubling the number of stores is a sound strategy when "Americans spend far less of their income on food than other nations". Explain your point of view.

**CASE STUDY-5**

Mrs Rena Zen had ordered two ladies top on ZIP UP and leading online clothes retailer. When the product arrived Mis, Zen felt the tops were not looking good on her and had told her daughter that she intended to return it. Unfortunately, before she could return it Mrs Zen passed away in a fatal accident. When her daughter was clearing her mom's room, found the tops her mom wanted to return. She noticed that the date of retaining as expired. She took a chance and called the customer care of ZIP UP and informed the situation, Next day ZIP UP arranged for personnel to collect the package and also sent her flowers,

This act won the hearts of many customers. The company generated a 5mn customers and with an astonishing 80% are repeated customers. In an interview to a leading newspaper the CEO of This act won the hearts of many customers. The company generated the ZIP UP Mr Sam Rai, that customer service oriented culture was the first priority to ZIP UP. Mr Rai said that he understood the importance of working on what is truly passionate about. And it is important to for the company to have a strong organisation culture and preserver them.

Under Mr Rai, ZIP UP focused on delivering superior customer service over marketing. For the company, customer service was an immense branding opportunity, a unique way to speak directly to your customers. Mr Rai explained "feel that it is very easy to purchase from Zappos. not with anything that relates directly to monetary compensation."

ZIB UP concentrated on the providing wide range of product and speed delivery. To remove the daysle of online shopping, Zappos extended their return policy from 30, 60 and 90 days to 365 days. Its fast and accurate free overminded their return policy fires that customers who order products as late as midnight also receive their merchandise on the next day. The shipping is free. both ways.

**Question: -**

1. What is organizational culture?
2. Give your view on why the customer preferred to shop on ZIP UP.?
3. Explain the organization culture of ZIP UP.?

**CASE STUDY-6**

Solution Inc. was a leading Car manufacturing company. The company earned a m of $5 trillion. It was one of the most successful companies in the country. On 18 January, 2014 the company faced a loss of S 5 million when 2000 of their employees walked out the company.

Solution Inc. approached HR Solution Result Consultant (HSRC) to investigate on the problem. After analyzing the situation HSRC concluded that indirect but rapidly destabilizing feature in team dynamics which needed practical investigation and correction.

HSRC invited a selected group of leaders from Solution Inc. to attend 3 day workshop which was focused on finding, identifying and correcting the destabilizing features in the team dynamics. The workshop was planned using proprietary, fun but well-provenance techniques for investigating these dynamics, the "survival terrain" of work team at the plant. The workshop addressed how to tackle complicated cultural instability.

The workers returned to the company and a similar event never occurred in the company, the confidence among the employees increased.

**Question**

1. What do you understand by team building?

2. What was the problem faced by the Solution Inc.?

3. What was the solution HSRC came up with? And what was the result?

**CASE STUDY-7**

Candy Ltd was successful candy manufacturer. In the mid-1990 the company faced a problem its performance appraisal system. The system was demotivation the employees than motivating them. Employees were discouraged and disgruntled

Candy Ltd appraised its employees once in a seat It required them to document their accomplishment and the managers used to assess and assign rating. The rating was on forced distribution. This system resulted in inequitable rating.

The company came up with a new system of performance appraisal the new system focused on appraising employees half yearly and the numerical rating system was removed. Further the company prohibited the appraisal guidelines of the use of subjective assessments of performance.

Both employee and the manager had to prepare a written document on how well the employee met present performance target. They meet and discuss the performance and provided the feedback, improvements and resolving any differences between them. The new system emphasized both the positive and negative aspects of employee's performance. The discussion was focused on the merits, performance, and relationship with peers and position in salary range.

**Questions**

1. What is performance appraisal?

2. Give the meaning of old method of performance appraisal followed by Candy Ltd?

3. What did the new system of PA emphasize on?

**CASE STUDY-8**

Rush Automobile ltd (RAL) was facing issues with its financial performance. Therefore, the company wanted to consider restructuring to turn the company around. Even after all the efforts the company was still under the loss due to high manufacturing cost and the price was not priced competitively. These led to job cuts, selling unprofitable business and closing down many units RAL was finding it difficult to meet the growing competition.

RAL realised that in order to survive in the market the company needs to transform into a flexible organization and focus on sale and high value business. As one measure of improvement the company introduced Balanced Scorecard. This was used to communicate the strategy across RAL to more than 1 lakh employees across its various units spread across the world.

The Balanced Scorecard enabled the employees to understand the existing policies and the future plans of RAL. The management and all the division identified the factors that were important to create value. Balanced Scorecard was also used to measure corporate results.

**Questions**

1. What is Balanced Scorecard?

2. What was the need for implementing Balanced Scorecard?

3. What was the benefit of Balanced Scorecard?

**CASE STUDY-9**

**A Performance Dilemma**

Brendan Jackson, a newly hired HR Manager, has been on the job for approximately six months and is in the process of trying to create a new performance appraisal system for his employer, Startbrite Manufacturing Systems. Brendan has reviewed the company's current employee files and has noted that no formal performance appraisals exist in the files. This situation is of great concern to Brendan

In response, Brendan schedules a meeting with the CEO to discuss his concerns and to gain her support to ultimately recommend designing a new performance appraisal system. After the meeting, Brendan is happy at gaining the CEO's approval but starts to feel overwhelmed at the large task he has in pulling the new performance management system together.

**This is where you come in to help Brendan by answering the following questions below:**

1. Discuss the performance management process highlighted in the class lecture and how it will aid Brendan in creating this new performance appraisal system for his employer.

2. Discuss and suggest the type of appraisal methods that Brendan should recommend the company use and why?

3. Discuss the rating errors/problems that Brendan must be aware of and how these can be avoided.

**CASE STUDY-10**

In the restaurant industry in India, “Spice Max” is a well-known brand of Biryani Masala owned by a company named “Paramount Restaurant” which is very famous for its Hyderabadi Biryani. This delicious food seasoning is made from a blend of different spices. Hyderabad is the city where the company was founded and where it has prospered for many years. Hyderabad is a historic city located at the crossroads of trading routes that bring the products of Southeast Asia to markets in the Middle East and beyond. To maintain high quality of product and customer service, Paramount has not opened new branches for a long time. But now, due to tough competition from various other brands, the company has decided to open new branches in the cities of: Bengaluru; Vijayawada; Chennai; and Pune. Additionally, along with restaurants in those cities, they have decided to sell Spice Max separately to other franchises and distributors.

The following are the features of the current supply chain:

* A manufacturing facility and a distribution center in Hyderabad
* Stores in Hyderabad, Secunderabad, Vijayawada, Bengaluru, Chennai and Pune
* Transportation modes of small, medium and large sized trucks, and also railroad freight cars.

**Q**. You have been hired by Paramount Restaurant to manage the supply chain of Spice Max. Your immediate task is to increase the company’s net profit by making improvements in the supply chain and lowering inventory and operating costs over the next 30 days

**CASE STUDY-11**

Mother Dairy Fruits & Vegetables, a company with a billion-dolar (Rs 4,200-crore) turnover, has been a well. established player in NCR known for products the firm has been largest seter of milk in NCR, with 65% of the revenue being contributed by milk. Amul entered Delhi market five years back and in 2011 with in a span on 4years it defeated mother dairy in terms of market share. Amul procures fresh milk and packages it. Mother dairy adds powder milk in its products to the tune of 40% This spoil the taste of the product. Also, Amul is credited with more awareness and knowledge about its products amongst consumers. Amul is a leader in the ice cream segment of the country Their capacity to develop products and gain market leadership helped them gain substantial share in the NCR region in the milk segment raising question marks on the brand equity of the company. Mother Dairy has been market leader in NCR for 35 years. Losing ground to Amul in 2011 in the milk segment is forcing company to rethink is strategy. They plan to increase their capacity and also expand procurement of the milk. One of the regions why consumer shifted to Amul has been difference in the taste of the milk. Amul milk is fresh where as a portion of mother dairy milk is reconstituted Mother dairy sets through its own outlets and home delivery is not possible where as Amul used channel and home delivery of the milk is possible. Mother dairy milk price has been less than the price of Amul milk, still a huge number of mother dairy loyals moved to Amul. Now Mother dairy is restructuring its strategy and systems to combat Amul

Questions:

1. What would you suggest to Mother Dairy for its revitalization plan
2. Develop brand identity model for Mother Dairy after collecting additional information for the brand?

**CASE STUDY-12**

Started in 1965, ChemCo is a leading manufacturer of car batteries in the U.K. market. Since then, it has been under the charge of Mr. Jones, the founder-owner of the firm. In 1999, the company decided to go for a diversification by expanding the product line. The new product was batteries for fork-lift trucks. At the same time, Mr. Marek was appointed the Senior Vice President of marketing in the company. However, soon after its successful diversification into fork-lift batteries, the sales in this segment began dropping steadily. Mr. Marek wanted to introduce some radical changes in the advertising and branding of the new business but the proposal was turned down by the old-fashioned Mr. Jones.

At this juncture in 2002, the firm is losing heavily in the fork-lift batteries business and its market share in car batteries is also on a decline. Mr. Jones has asked Mr. Marek to show a turnaround in the company within a year. What steps should Mr. Marek take to take the company out of its troubles?

**CASE STUDY-13**

VGS was acknowledged as the Coffee King of India. He was responsible for creating India’s popular coffee hangout place called Café Coffee Day (CCD). CCD gained immense popularity among the young and urban population. VGS was also acknowledged for the strategic investment decisions he took as an investment banker and as an investment analyst.

VGS was enthusiastic and energetic, and was considered a visionary entrepreneur in India. His suicide in July 2019 brought his entrepreneurial journey to an abrupt end and left the entire business world and the entrepreneurial ecosystem in India in shock. In a note, VGS stated pressure from Income-tax department and private equity investors as a cause of his death. The incident raised several questions with respect to the challenges being faced by entrepreneurs in India.

**Issues**

1. The case is structured to achieve the following teaching objectives:
2. The key qualities of an entrepreneur.
3. The various dimensions of an entrepreneurial journey.
4. The concept of ‘self-doubt’ and its implications for an entrepreneur’s journey.
5. The role of prudent financial decisions in the success of an entrepreneur.
6. The importance of strategy in the success of an entrepreneur.

**CASE STUDY-14**

Despite stiff increase in tariff by Doordarshan (DD) in March 1987 actual revenue declined. This study indicated that the number of small and medium advertisers which was on the increase before the tariff hike has now been on decline. Further there has also been a noticeable shift in favor of 20- and 10-seconds spots from 30 or more seconds’ spots before the hike in tariff. The study found that there has been a steep decline in the actual number of advertisements on Doordarshan. This is across all TV centers and program segments. But it was more significant in the case of channel II of Delhi and Bombay.

The second channel of Bombay DD TV had no advertisements since the increase in tariff as against revenue of Rs.15, 000/- to Rs.20, 000/- per month in the corresponding months of the previous year.

In case of Delhi DD TV’s second channel, the number of advertisements declined from a rate of 40 to 65 per month in May to July 1986 to a rate of 12 to none between May to July 1987. Even the actual revenue has fallen. It was about Rs.55, 000/- to 71,000/- per month in May-June period of 1986. In the current year, however, it developed to Rs.28, 000/- in June and was nil by July 1987.

**Questions:**

(a) What happened to revenue after tariff hike for advertisement in DD?

(b) Why has revenue declined?

(c) Is the prize-elasticity of demand for DD TV advertisements high/low/zero?

(d) What tariff (or prize) policy should DD follow for TV advertisements?

**CASE STUDY-15**

Maruti Udyog Ltd (MUL) enjoys monopoly in spare parts. Along with dealers, MUL is exploiting Maruti vehicle users. Often the vehicle user has to change the clutch plate twice in six months and has to pay Rs.3,567/-. MUL chargers the price of clutch at imported cost while clutch plate is actually made by clutch auto private Ltd at Faridabad. The replacement of a silencer costs Rs.800/-The cost of spare parts and repairs by any reckoning is three to four times compared to Ambassador or Fiat.A random sample indicates that every eighth car has faulty clutch. In the context of defective parts and exorbitant cost of repairs, saving in fuel in Maruti as compared to other auto makers is of little consequence.

Maruti vehicle users in dilemma they cannot get spare parts or get their cars repaired except through Maruti Udyog or its authorized dealers. But both charge huge amounts, not giving guarantee for a single day. MUL is thus, indifferent to the genuine grievances of its customers.

**Questions:**

(a) Define a monopoly and stage its main features.

(b) Why MUL is called a monopoly? Does it enjoy monopoly in car manufacture?

(c) In what way do customers surfer from monopoly practices of MUL.

(d) What do you suggest to remedy the situation?

**CASE STUDY-16**

XYZ Clothing is a mid-sized fashion retail company specializing in trendy apparel for young adults. XYZ Clothing has been in business for over a decade and has established a loyal customer base. The company's product range includes casual wear, formal attire, and accessories. Despite having a strong presence in brick-and-mortar stores, XYZ Clothing is facing increasing competition from online retailers and wants to expand its digital footprint to remain competitive. XYZ Clothing currently has a basic e-commerce website but lacks a comprehensive digital marketing strategy.

The challenges faced by this company are increased competition, limited online presence and low online sales.

**Question:**

You were hired by the XYZ Clothing as the new digital marketing manager. How would you enhance its digital marketing strategy to drive growth and increase online sales?

**CASE STUDY-17**

ABC Ltd. is a manufacturing company engaged in the manufacturing of valves. They have been in the business for last 3 years and have been manufacturing only one type of valves. They started their business initially with sales of 10,000 valves per month and now they have grown the volume to about 50,000 valves per month. They have been buying all the raw material for the valve and were doing all the manufacturing in house. Now they have established themselves in the market and are planning to expand and produce different varieties of valves. They have their plant in the main city and the total area of the plant is 50,000 sq. ft. Now if they want to expand and continue doing all the activities of manufacturing of all the varieties in house, they would need another 50,000 sq.ft. of the area. In the recent times, the land prices in the area have more than doubled in the last 3 years and still land is available with great difficulty. Mr. Mohan is the production head of ABC Ltd. and has been successful with the production and the level is continuously increasing. But in recent times, he is facing the problem of quality complaints which have gone up from average 0.2 % in previous 2 years to 0.5 % this year. Also, he is finding that there is a high level of dissatisfaction among the workers regarding workload as well as salary levels. The workers are regularly complaining about the over work.

Although, Mr. Mohan has found that the workers have been spending lot of time on tea breaks, lunch breaks and even in between the production spending lot of time talking to each other. But, due to insufficient workers and staff, he is unable to take strict action and the workers are taking advantage of this situation. For completing the work and delivering the products timely, he has to employ workers on overtime and his overtime cost has also increased 3 times. Mr. Mohan is worried about the new expansion plan of the management and is worried where the new workers would come from as he is already finding shortage of workers for the existing job. He has requested the management not to go for expansion immediately and look at improving and consolidating the existing set up. He has sent his request to Mr. S. Kumar Director – Operations.

Mr. Kumar has gone through the request of Mr. Mohan and called a meeting of all the department heads and explained the situation to all concerned. The marketing manager has expressed very bullish prospect about the company’s growth and said that the company should take advantage of growing economy and established brand image of the company and definitely go for expansion. The finance manger also expressed that this will result in economy of scale for the products and will further increase the profitability of the products. Mr. Mohan again expressed his problems regarding availability of manpower as well as production control and effect on quality and productivity. The Marketing manager asked the Production manager about the option of outsourcing.

Mohan is skeptical about the outsourcing option as he felt that the outside agency will always charge more as he will try to make his profit as well and also is worried about the possible problems of deliveries. Mr. Kumar asked the Mr. Naresh who is the Purchase manager about his views. He said that since the suppliers would also be interested in doing the business, they would not like to delay as with delay they also incur loss. The Finance manager said that we can look at cost comparison for buying against in house manufacturing.

After listening to all the views, Mr. Kumar told Mr. Mohan to work out the cost of production for future sales as per the forecast given by the Marketing department. He also told Mr. Naresh to collect the details of the future requirements to get the purchase cost details for few components of the valve.

Mr. Mohan and Mr. Naresh have collected their data and they have presented the data in the meeting called by Mr. Kumar to review the plan. First the marketing head Mr. Suresh presented his market forecast and then Mr. Mohan presented his report and explained the details as follows.

One supervisor with monthly salary of Rs. 5000 with expected increase of 10 % per year. Direct wages of worker as Rs. 4 per unit. With 10 % reduction in second year, no change in 3rd year and increase of 10 % every subsequent year.

Material cost of Rs. 14 per unit with an increase of 10 % every year. Power and fuel cost of Rs. 2 per unit with increase of 10 % every year. Indirect labor as 50 % of direct labor.

They will have to buy a new machine with a cost of Rs. 50 lac. With usable life of 5 years Mr. Naresh explained his details as follows:

Component price from supplier at Rs. 20 for the first 2 years with an increase of 10 % every subsequent year.

Transportation cost of Rs. 2 per unit for the first year with increase of Rs. 0.20 every subsequent year.

Inventory cost (storage cost) as 5 % per year of the basic material cost.

The Marketing manager has given the sales forecast for next 5 years as follows:

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Year | 1 | 2 | 3 | 4 | 5 |
| Sales  quantity | 300000 | 500000 | 700000 | 900000 | 1000000 |

## Questions

1. Based on this data, is it economical for ABC Ltd.to go for buying the product from market or manufacturing in house.
2. What other factors should ABC Ltd. look at for making this decision?

**CASE STUDY-18**

A farmer in Punjab expects to harvest 20000 bushels of wheat in late July. On 10th June, the price of wheat is ` 160 per bushel. The farmer is worried as he suspects that price will fall below ` 160 before his July delivery date he can hedge is position by selling July wheat futures. The July wheat future price is ` 157 per bushel. The former sold the July wheat futures. When July end approached, the price had fallen to ` 150 per bushel.

Calculate

(a) What is the gain of the future contract?

(b) What is the revenue from the sale of wheat?

(c) What is the cash flow per bushel of wheat?

**CASE STUDY-19**

Maria Gilbert is a principal in the firm of Orion Financial Management. For twenty years she was chief investment officer with Reliance Investments, the pension management arm of the Second National Bank of South Bend, Indiana. She left the bank in May 1995 in an attempt to turn her expertise into greater personal rewards.

Two portfolios under management for medium-sized pension funds were on the top of her current agenda. The first portfolio was an index fund representing a cross section of the S & 500 stocks. This portfolio had been established as a core portfolio for the South Bend Firefighters, currently $10 million. The second portfolio was an actively managed fund for the Ryan Country Public Employees Retirement Fund, which aggregated $2.75 million.

The firefighter’s portfolio was put in a cross section of S & P 500 stocks on December 23, 1995, when the S & P 500 Stock Index was at 500. One year later, on December 20, 1996, the S & P 500 Index closed at 595. On the same day the S & P 500 March/1997 futures contract closed at 600. The March/600 call on the S & P 500 Index carried a premium of 343 18.75 points, and the March/600 put was at 8.50. The Ryan Country fund was allocated as follows: cash equivalents, 9 percent; fixed income securities, 36 percent; equities, 55 percent, Treasury-bond futures were priced at 95.

On December 20,1996, Maria arrived at the office determined to adjust these two portfolios. However, she had mixed feelings about the stock market. On the one hand, she believed the market might continue its advance from an S & P 500 level of 595 to an index level of 640 during the next three months if corporate profits continued their upward surge. On the other hand, she worried that a downward correction could take the market to 545 if interest rates moved sharply higher as some were predicting. After pondering her options, she decided to look more closely at alternative strategies for both funds, ignoring taxes and transaction costs for simplification of her task.

**Question:**

Suppose Gilbert thought the stock market would weaken and she wanted to lighten, but not eliminate, her equity position and increase the fixed income part of the Ryan portfolio. Indicate specific actions she could take in the futures markets to shift the allocation of the Ryan portfolio to Zero cash, $1.6 million fixed-income, and $1.15 million equities.

**CASE STUDY-20**

Brain Vandergrift is a portfolio manager for Southside Bank and Trust Company. He currently is considering purchasing shares of Deere (maker of arm equipment) and Zenith (a producer of electronic equipment) common stock for inclusion in several portfolios he manages. As an alternative, he also is considering purchasing Deere and Zenith convertible bonds. The portfolios under consideration are mostly equity portfolios having the objective of aggressive growth. Vandergriff expects Deere to benefit from the recent growth in demand for agricultural equipment abroad. Zenith may be on the comeback trail after its earnings growth faltered in the late 1980s. He also expects interest rates to remain stable during the next year.

|  |  |  |
| --- | --- | --- |
| Convertible | DEERE | ZENTH |
| Coupon | 5.50% | 6.25% |
| Maturity (Years) | 8 | 18 |
| Rating | A- | CCC |
| Conversion rate ( shares) | 30.53 | 32 |
| Market price (% part) | 42.50 | 66.25 |
| Investment Value | 85.43 | 64.95 |
| Call price | 105 | 106 |
| Common Stock |  |  |
| Market price | 72.88 | 6.88 |
| Dividend | 2.00 | 0.00 |
| Beta | 1.05 | 1.45 |

**Question:**

Analyze these two convertibles. Recommend the convertible debentures that, in your opinion, would be more desirable for purchase by an aggressive, growth-oriented investor. Justify your recommendation.

**CASE STUDY-21**

Mr. Nitin Gupta had invested Rs.8 million each in Ashok Exports and Biswas Industries and Rs. 4 million in Cinderella Fashions, only a week before his untimely demise. As per his will this portfolio of stocks were to be inherited by his wife alone. As the partition among the family members had to wait for one year as per the terms of the will, the portfolio of shares had to be maintained as they were for the time being. The will had stipulated that the job of administering the estate for the benefit of the beneficiaries and partitioning it in due course was to be done by the reputed firm of Chartered Accountants, Talwar Brothers. Meanwhile the widow of the deceased was very eager to know certain details of the securities and had asked the senior partner of Talwar Brothers to brief her in this regard. For this purpose the senior partner has asked you to prepare a detailed note to him with calculations using CAPM, to answer the following possible doubts.

1. What is the expected return and risk (standard deviation) of the portfolio?
2. What is the scope for appreciation in market price of the three stocks-are they overvalued or undervalued?

**CASE STUDY-22**

VIACK is the company behind the VIA3 Assured Collaboration Service, a fully secure online collaboration solution. VIA3 enables business and government professionals to meet with colleagues and clients anywhere, working together and sharing information as easily and effectively as if they were in the same conference room. The advantages of the software for clients are savings in downtime, travel and administrative expenses; enhanced productivity; and more responsive service. VIACK Corporation was founded in 1999 and has offices located in Washington, D.C., Arizona and Washington State.

**THE CULTURE**

VIACK is both functionally and geographically divided. The offices are located in different places due to the location of the talent and the client base. For example, because the engineering talent is located in Redmond, Washington, much of the R&D staff is located there. Because VIACK is a supplier to the government sector, they have a sales office in Washington, D.C. In addition, their corporate office is located in Scottsdale, Arizona. Amazingly, even with the different locations, VIACK still feels like a small, family-owned business with a very open culture.

**COMMUNICATION STRATEGIES**

VIACK credits the company culture to their own software. They use their online collaborative tool, which they market, for communicating within the company. Rather than a telephone, employees use the collaboration tool with a webcam and a headset. The collaboration tool enables staff tosee 14 people on the screen with audio and instant messaging capabilities. Typically, employees gather in a main area, and they can communicate with staff in all of the different locations. In addition to technology, there is a real openness in the attitude of top management. Management frequently stops in and sees employees at the different locations. Face-to-face communication is still used a great deal at VIACK. Especially during challenging times, management ensures that they are accessible. For example, the CEO will go to the engineering facility when there are difficulties getting new products out. These face-to-face communication strategies make sure the staff feels valued and supported. This also encourages staff to express opinions to management. Overall, VIACK is a flat organization without a lot of structure. Using an open-door policy and delegating broad areas of responsibilities, the staff works together in an environment of mutual respect. VIACK used to have an anonymous suggestion system, but it is no longer used because people now feel comfortable asking the CEO hard questions.

**Questions:**

1. Identify different channels of communications used by VIACK. Which according to you is the most effective channel and why?

2. Which are the communication barriers you see in the above case? How to overcome them?

**CASE STUDY-23**

Having made a name in the field of computer engineering and software development, Mazoon was attracted by Majan Smart Solutions Company to join their team of computer engineers. The attractive offer and a promise for an innovative working environment convinced Mazoon to accept. Upon joining, she was introduced to the team and oriented about the company. She was eager to be assigned an office and continue to innovate. To her shock, she was given a chair on a shared table office with ten male engineers. This was not what she had expected. During the job interview, where her new manger was present, she expressed the desire to work in an environment that is private given that she is introvert and excels while working alone. She sent an email to the manger asking to be shifted to a separate office or with a smaller mixed gender group. The manager refused her request justifying that the company culture entails that the staff must work in large teams. Saddened by her new reality and having nowhere else to turn to, she tried to cope. This was detrimental on her work achievement as she had to constantly adjust herself to the new reality instead of focusing on work completion. Having failed to show satisfactory results, the manger ended her employment justifying the reason for failure to meet outcomes.

Answer the following questions:

1. Explain how the manager is not an emotionally intelligent person?

2. Is Mazoon emotionally intelligent? Elaborate further on your answer.

**CASE STUDY-24**

Upon completion of his master’s degree, Khalifa asked his boss for a raise. The boss clarified that a raise is not a possibility under his current position and that he would have to assume a higher position with more responsibilities to be eligible. Excited by the offer, Khalifa consented without further inquiry. He has already contemplated how he would spend the extra cash he would receive. Alas, nothing lasts forever. The demands of the new position shocked Khalifa. He was appointed as a director of the Auditing Section. Although he had some knowledge of accounting, he felt he was not competent enough to be responsible for a section. His confusion was evident in the first meeting held with the staff. He kept stuttering and couldn’t put together one meaningful sentence. He never had to address a crowd in his previous position. He employed local Omani proverbs, although translated to English, to clarify his points; this disoriented the staff more who come from a diverse background. Neither his words nor his actions could help the staff to get the gist of his message given that he seldom exchanged eye contact and had his hands in his pockets while speaking. The staff were more perplexed when they left the meeting room than they were when they first entered.

**Answer the following questions:**

1. Why did Khalifa fail to communicate with his employees? How did the employees find it difficult to understand Khalifa’s message?

2. How can Khalifa utilize emotional intelligence to improve his performance in his new position as a director?

**CASE STUDY-25**

The section head of customer relations office at XYZ Company has decided to send inspirational quotes to his employees repeatedly throughout the day to keep them motivated. He was inspired by a workshop he had attended earlier on the same theme. To maintain good customer relations, the employees are expected to promptly respond to customers’ queries and address their complaints through emails, phones, and social media feeds. This could be very stressful, given that currently the number of complaints has exponentially increased due to Covid19 situation and the closure and restrictions imposed by the government. Muna, having a great record in meeting deadlines, has also been greatly affected by this situation because even she is not able to keep up with increase in inquiries and complaints made by the customers. The inbox is constantly full, the phone keeps ringing and social media notifications keep on popping. Muna, along with her colleagues and after consulting the section head, has decided earlier to follow a more organized and strategic approach in finishing her work. Each hour, they will respond to the 5 earliest emails, 5 phone calls and 10 social media feeds. The employees were relieved by this decision because they usually receive only customers’ emails in their inboxes and no filtration is required. However, the manager’s new approach to motivate the employees has led them to be more stressed than relieved. They started receiving countless inspirational emails from him throughout the day that they had to filter through their inbox to find customers emails; this affected their working pace. Added to that, the company couldn’t pay its internet bills as frequently leading to slow connection with nonstop customers’ complaints for delayed responses. Muna couldn’t bear this anymore and she blow at the weekly staff meeting threaten to resign unless the situation is alleviated.

**Answer the following questions:**

1. What led to communication failure in this case? Explain in details.

2. How could the section head have achieved his goal without disrupting the employees? Give examples.

3. Are Muna and the section head emotionally intelligent people? Explain your answer.

**CASE STUDY-26**

Amazon is the world’s largest e-commerce company which began its operations in US as an online book retailer that soon began to sell a large category of products. Amazon.com entered the Indian e-commerce market with Amit Agarwal at its helm in 2013 as an online marketplace offering two product categories, namely books, and movies and TV shows. As the Indian law did not permit 100 % foreign direct investment (FDI) in retail business, the company decided to provide an online platform for buyers and sellers to come together instead of selling products directly to the consumers. This business model was different from the one being employed in US where the company sold its own goods along with those of the third-party sellers. Under this model of third-party online platform, Amazon handles customer queries, takes orders, ships goods, handles returns, and undertakes advertising and promotion activities.

Within three years, Amazon launched its “Global Store” in India and provided access to over 4 million global products, including several international brands that till hitherto were unavailable in India. Prior to its launch, consumers bought products online from Amazon’s US portal and were required to pay in dollars. But, now they had the option to make online purchases of both global and local brands and pay in their local currency. The company provided the option of returning unused products within 30 days of delivery for full or partial refund depending upon the cause for such returns.

**Indian market**

India is the world’s fastest growing economy. Its huge population of 1.25 billion led by technology-driven youth offers tremendous business opportunities to the e-retailers. Around 260 million English speaking middle class, 340 million smart phone users, and a rapid increase in mobile wallet users offer huge potential to the e-commerce companies. Increased penetration of the internet will continue to provide further impetus to rapid growth in e-commerce market. The revenue from e-commerce is estimated to grow four folds from $ 30 billion in 2016 to $ 120 billion in 2020, accounting for a whopping growth rate of 51 % per annum. This exponential growth rate is expected to surpass any other predicted growth rate across the globe. So, it is no surprise that Amazon was attracted to India to pursue its dream of international expansion.

Amazon possessed the experience of operating as an online marketplace in nine other countries. To gain insight into the psyche and behaviour of Indian consumers, Amazon had launched a price comparing website, Junglee.com a year prior to its entry in the growing Indian market. The experiences of already operating market players provided additional vital information needed to make headway in this challenging Asian sub-continent. The home-grown companies, Flipart,

myntra, and Snapdeal were gradually succeeding in persuading the sceptical Indian consumer to buy online by offering very low prices, return policy, and payment of cash upon delivery. Amazon also understood that Indians prefer to pay in cash and not through cheques or credit card. It adopted the policies being pursued by indigenous online retailers.

**Distribution model**

There are more than 14 million traditional retail stores in India with majority measuring less than 600 square feet. These convenience stores play an important role in making products available in cities, towns and over 6 lakh villages, where 67 % of the population resides. Yet, both big and small retailers perceived e-commerce to be very complicated and had been apprehensive about online orders on various accounts. Some of these concerns included problem of handling rejected products, incorrect or arcane addresses given by the customers, inadequate infrastructure, including poor delivery logistics, buyers’ habit of doing transactions in cash, and so on. Amazon’s entry was perceived as a great threat to the survival of these traditional retail stores. To allay their fears, Amazon introduced Amazon Chai Cart which involved mobile tea carts that moved through several cities offering tea along with advice on the advantages of e-commerce to small business own- ers. Subsequently, Amazon Tatkal, “studio on wheels” was launched to provide a range of services, including cataloguing, registration, and sales training. This resulted in large number of businesses getting associated with Amazon as they felt that this partnership would provide access to bigger markets. Entry of Amazon provided great business opportunities to retailers in India who had been previously very uneasy about its entry. It engaged more than 13,000 stores across 65 cities as deliv- ery partners in its logistic network. It also involved the mom-and-pop stores in small towns and villages in its delivery platform where internet connectivity was limited. Villagers are able to access the online products at Amazon through the store owner’s internet and place their orders through him. The store owner alerts consumers upon arrival of products, delivers them, collects money, and passes it to the company. He gets paid a certain amount of handling fee in return for his services. This system is reported to have helped the stores increase their personal sales as well. Linguistic diversity in the country has prompted Amazon India to introduce staff support system to its sellers in local languages such as Tamil, Kannada, and Telugu in addition to English and Hindi.

The number of sellers on its platform rose to a phenomenal figure of 140,000 in 2016, an increase of nearly 160 %. Almost thousands of products were reported to be getting added daily on its market place. To help the sellers on its platform meet their short-term financial requirements to cope with increased seasonal demands, Amazon partnered with a digital lending company called Capital Float. This initiative has helped its e-sellers who deal in fashion items, consumer durables, and electronic products procure a loan of Rs 2 lacs and above without pledging any collateral. This facility assists them in making payment to their suppliers within 24 hours. Within a span of four years Amazon has become equipped to sell over 100 million products ranging from movies, books, grocery, fashion, electronics to lifestyle categories. Its sales orders are not confined to any specific group of customers or geographical limits of metropolitan or big cities. It claims that 50 % of its demand is from Tier II and Tier III cities of India. Pursuing its global strategy, the company strives to supply everything to everyone at every location within the country, and make it its second largest

market after US. It has left its closest Indian rivals, Flipkart and Snapdeal, far behind with respect to business investment, numbers of products offered as well the geographical coverage of its market. Flipkart, run by former employees of Amazon, has been forced by the latter to seek foreign invest- ments while Snapdeal is grappling with its survival.

**Strengthening delivery logistics**

To improve its delivery logistics, Amazon “Global Stores” engaged the services of India Post, a government-operated postal system, and logistics companies such as Blue Dart, Aramex India, and DHL Express to deliver products to its customers. It also utilized the services of bicycle and motorcycle couriers to reach its rural and sometimes even its urban customers. Around 27 fulfilment centres were set up across ten different states in the country in direct contrast to a centralized fulfil- ment centre in US. Order tracking, which plays a crucial role in winning over the trust of customers, is taken care of by these fulfilment centres. Sellers drop their products to these fulfilment centres at a fee before any order is placed. Amazon provides studio facility to the suppliers for taking photo- graphs of their wares for online posting. These goods are checked for quality, stored, packed, and shipped to the customers from these centres when the orders are received. Generally, Amazon holds back a part of the sales for about seven days as a buffer against possible returns. The accounts with sellers are settled on monthly or weekly basis depending upon their terms of agreement with the company. Decisions with respect to returned goods lie solely with the company. More than 100 delivery stations and about 15 sorting centres have been also opened up by the company.

To access its customers spread across a large geographical area, Amazon Transport Services was started as the logistics company in 2015 to accelerate the pace of delivery and provide direct delivery from the sellers to the consumers. This was expected to make the company more competitive in the Indian market which lacked the logistics facility to deliver within 24 hours of ordering, a norm followed in the US. Its closest rival, Flipkart, was forced to follow suit by promising same-day deliv- ery facility but its charges were higher in comparison to that of Amazon. To speed up the delivery process, Amazon launched additional shipping platforms called EasyShip and Seller Flex, which helped the small vendors choose their courier partners at their own convenience. Under Easyship, Amazon couriers picked up packaged goods from seller’s store for delivery to the consumer. The sellers had the option to store products for sale on Amazon portal in their own warehouse under the Seller Flex approach, and Amazon takes care of delivery from their warehouses to consumers. However, in case of stock-outs, Amazon imposes penalty on the sellers.

**CASE STUDY-27**

Managing the work place in the construction industry in Malaysia: Why are communication skills important in the workplace?

Company A has been conducting business in the construction industry since 2017. It is a CIDB Grade7 accredited construction company. The company employed more than100 people. They are proud of their expertise and experiences in all parts of civil construction and their complete understanding of the Malaysian construction business. It has presented them with challenges. It has also benefited them in becoming one of Malaysia's G7 companies. They assist with significant construction projects of all sizes. The company's initial objective was to provide services related to the construction of buildings, roads, and water supply systems. However, as time went on, the corporation's purpose grew to include, among other things, the construction of bridges, drainage systems, irrigation systems, sewage treatment facilities, and various industrial complexes. Company A, for example, has completed several government construction projects, including the municipal council hall building in Sepang and road paving, and is now working on the school building, exhibition hall and hawker stall, and bridge. They offer these services through a network of connections across the country and work hard to develop regulations and partnerships with our valued customers.

Company A was awarded a contract to build an exhibition hall in May 2021. The deadline for completion is seven months. Mr Ali has been appointed as the General Manager of Company A, responsible for all building projects. He is highly devoted, decisive, and forth right. Mr Nan, his Project Manager, is in charge of this building's exhibition hall. He has well-developed technical capabilities and extensive industry expertise. Both of them are the key person to making this project successful.

There was a problem with communication between site management and headquarters right away, especially between the general manager and project manager. It is well known that Mr Ali enjoys working independently. In other words, he is not recognized for listening to other people's opinions. MrNanis an accomplished professional in his area and younger than MrAli. MrNan repeatedly stated that he could not begin planning to do piling until he got further information from Mr Ali because he was dissatisfied with the information he had received from him. Mr Nan nearly quit the organization but ultimately decided to stay and sought assistance from other employees after realizing that crucial components were lacking on piling. He couldn't start preparing because he didn't have the necessary information. MrAli directed him to start piling at the same time. MrAli commanded him to begin the piling at the same time.

MD made the first and most significant error in this instance. He mis communicated the need for more planning efficiency to Mr Ali, who had been doing it for more than five years because he could not comprehend why it was necessary. Neither the MD north head of quality adequately considered the communication problem with Mr Ali. It was assumed that communication gaps would exist between the two. However, this cannot be used as an excuse to avoid promoting debate. Age disparity and respect in today's organizations is a crucial issue that has been studied for decades and that HR managers, MDs, and middle management in organizations need to understand thoroughly. Mr Nan lost over three months without any preparation in the end. Cost the business a lot of time and money to find something that would have just taken a few days. MrAli and MrNan didn't get much better at communicating. Following the project, the head of quality ceased his efforts to foster communication between the two. Other projects did not produce the intended outcomes, and communication problems persisted. The MD likely never discarded the thought that Mr. Nan was unfit for the position. Production effectiveness fell. These "catastrophic" results were the result of a straightforward communication error.

**CASE STUDY-28**

AMS Fertilizers is a 11-year-old fertilizer manufacturing company in Punjab, decided to expand their business in 3 other states namely Karnataka, Tamilnadu and Assam where the product is having good demand. They planned to approach farmers directly to understand their demands and also the dealers in the said state to establish the products.

Mr. Aditya who is looking after the HR department of AMS was been called by Mr. AM Singh. He informed Aditya that, “Aditya today I am excited as we are expanding our business in other parts also. So, I want you to identify best candidates for our marketing department who can establish our products in the new market”. He continued, Aditya I want 3 best marketing candidates in place within a week. Don’t wait for any further order complete the task in a best possible way.” Mr. Aditya also started his work with immediate effect.

He finalized 3 best candidates namely Mr. Kushwa, Mr. Dev and Mr. Bowmick. All the three candidates were having good experience and excellent track record in top fertilizer companies. After Recruitment Mr. Aditya introduced them to Mr. AM Singh thereafter Mr. Singh assigned with their duties.

**Challenge to MR. Aditya**

After a month Mr. AM Singh called Mr. Aditya and started a heated argument as follows, “Aditya I believed you and asked you to recruit 3 best candidates, Once you finalized I didn’t had a second thought, I placed them for the task and you blasted all my dreams”. Confused Aditya asked in a polite voice “But sir I brought best candidates, I am not able to understand the issue sir. I didn’t even get the opportunity to meet them after I left them in your cabin”

Mr. Singh said “OK, let me explain you clearly. Except Mr. Bowmick who is placed in Assam, both of your other 2 candidates could not bring any business, they failed and are in verge to give up themselves. So Mr. Aditya tell me what should I do now. Why should I pay you if you are unable to do even a basic HR job.”

1. What went wrong in the case.
2. Who is at fault Mr. Singh or Aditya or the 2 failed candidates
3. How the fertilizer company can come out of this issue.
4. What are the HR concepts that you can correlate with this case.

**CASE STUDY-29**

Harsha and Franklin both of them are postgraduates in management under different streams from the same B-School. Both of them are close to each other from the college days itself and the same friendship is continuing in the organization too as they are placed in the same company, Hy-tech technology solutions. Harsha placed in the HR department as employee counsellor and Franklin in the finance department as a key finance executive. As per the grade is concerned both are at the same level but when responsibility is concerned Franklin is holding more responsibility being in core finance.

By nature, Harsha is friendly in nature and ready to help the needy. Franklin is silent in nature ready to help if approached personally and always a bit egoistic in nature. They have successfully completed 4 years in the organization. And management is very much satisfied with both of them as they are equally talented and constant performers.

Harsha felt that now a day’s Franklin is not like as he uses to be in the past. She noticed some behavioural changes with him. During general conversations, she feels that Franklin is taunting her that she is famous among the employees in the organization, on the other hand, he is not even recognized by fellow employees.

One morning Mr. Mehta General Manager Hy-tech technology solutions shocked while going through the mail received from Franklin about his resignation. Mr. Mehta called Harsha immediately and discussed the same as she is close to Franklin. By hearing the news Harsha got stunned and said that she does not know this before she also revealed here current experience with him. Mr. Mehta who does not want to lose both of them promised her that he will handle this and he won’t allow Franklin to resign.

In the afternoon Mr. Metha took Franklin to Canteen to make him comfortable after some general discussion he starts on the issue. Franklin, after some hesitation, opened his thinking in front of Mr. Mehta. The problem of Franklin is

1) When he comes alone to canteen the people from others don’t even recognize him but if he accompanied by Harsha he gets well treated by others.

2) one day Both of them entered the company together the security in the gate wished them but the next day when he came alone the same security did not do so.

3) Even in meetings held in the office, the points raised by Harsha will get more value so many times he keeps silent in the meeting.

It happens to Franklin that he has to face such degradation in each day of work which totally disturbs him. Franklin also questioned that” Harsha and myself have the same qualification, from the same institute, passed out in the same year both with first class. We have the same number of experiences in this organization. Moreover, the responsibilities with me are more valuable than those of Harsha. After all these things if I am been ignored or unrecognized by the fellow employees my ego does not allow me to continue here”.

By listening to this statement Mr.Metha felt that it is not going to be very difficult to stop his resignation. Mr. Mehta explained Franklin the reasons for such partial behaviour of the employees.  
After listening to Mr. Mehta Franklin said sorry for his reaction and ready to take back his resignation. And he called Harsha and spoke with like before.

**Question:**

Find the reason that Mr. Mehta would have given to Franklin.