

(Pages : 3)

Reg. No. :

Name :

**Fourth Semester M.B.A (Full Time/Travel & Tourism) Degree Examination,
October 2024**

**MGT 541 : STRATEGIC MANAGEMENT
(2020 Scheme)**

Time : 3 Hours

Max. Marks : 75

SECTION – A

Answer **all** the questions. Each question carries **4** mark.

1. Define Strategic Management. What are the features of business policy?
2. What are the characteristics of a good mission statement?
3. What is Strategic Formulation process?
4. Explain the scope of Strategic Implementation.
5. Why is strategy evaluation important in strategic management?

(5 × 4 = 20 Marks)

SECTION – B

Write in detail on any **three** questions. Each question carries **10** marks.

6. Explain M Porter's Five Force Model.
7. Describe the following terms–Vision, Mission, and Objectives.
8. What is the relationship between culture and strategy choice?

P.T.O.



9. What are the types of strategy in strategic implementation?
10. Elucidate strategy control process and techniques.

(3 × 10 = 30 Marks)

SECTION – C

Compulsory

11. Case Study

McDonald's in 2009 spent \$2.1 billion to remodel many of its 32,000 restaurants and build new ones at a more rapid pace than in recent years. This is a stark contrast to most restaurant chains they are struggling to survive, laying off employees, closing restaurants, and reducing expansion plans. McDonald's restaurants are in 120 countries. Going out to eat is one of the first activities that customers cut in tough times. A rising U.S. dollar is another external factor that hurts McDonald's. An internal weakness of McDonald's is that the firm now offers upscale coffee drinks like lattes and cappuccinos in over 7,000 locations just as budget conscious consumers are cutting back on such extravagances. About half of McDonald's 31,000 locations are outside the United States. But McDonald's top management team says everything the firm does is for the long term. McDonald's for several years referred to their strategic plan as "Plan to Win". This strategy has been to increase sales at existing locations by improving the menu, remodeling dining rooms, extending hours, and adding snacks. The company has avoided deep price cuts on its menu items. McDonald's was only one of three large U.S. firms that saw its stock price rise in 2008. The other two firms were Wal-Mart and Family Dollar Stores. Other strategies being pursued currently by McDonald's include replacing gasoline-powered cars with energy-efficient cars, lowering advertising rates, halting building new outlets on street corners where nearby development shows signs of weakness, boosting the firm's coffee business, and improving the drive-through windows to increase sales efficiency. McDonald's receives nearly two thirds of its revenues from outside the United States. The company has 14,000 U.S. outlets and 18,000 outlets outside the United States. McDonald's feeds 58 million customers every day. The company operates Hamburger University in suburban Chicago. McDonald's reported that first quarter 2009 profits rose 4 percent and same-store sales rose 4.3 percent across the globe. Same-store sales in the second quarter of 2009 were up another 4.8 percent.



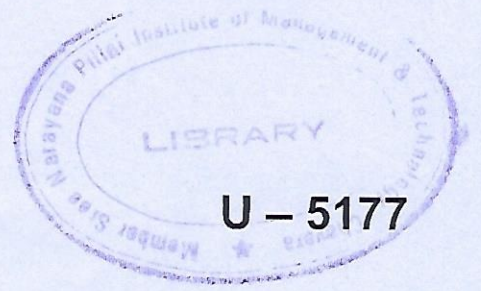


Questions:-

- (a) What is strategy formulation features of McDonald's?
- (b) What is the vision and mission of McDonald?
- (c) How did McDonald implement strategies to increase sales?

(1 × 25 = 25 Marks)





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**Fourth Semester M.B.A. (Full Time/Travel and Tourism)
Degree Examination, October 2024**

**MGTOM 06 : TOTAL PRODUCTIVE MAINTENANCE
(2020 Scheme)**

Time : 3 Hours

Max. Marks : 75

PART – A

Answer **all** the questions. Each question carries **4** marks.

1. State the objectives of total productive maintenance.
2. Enumerate the Breakdown maintenance.
3. Explain about the Zero breakdown and Zero defects.
4. What is maintenance manual? Why it is important?
5. Write a brief note on Toyota production system.

(5 × 4 = 20 Marks)

PART – B

Write in detail on any **three** questions. Each question carries **10** marks.

6. Explain the concepts of maintenance. Identify its roles and functions.
7. Elucidate the types of maintenance and their benefits.
8. Give your views on autonomous maintenance and their benefits in TPM.

P.T.O.



9. Discuss about the Spare parts management.
10. Write an essay on CMMS.

(3 × 10 = 30 Marks)

PART – C

Compulsory

11. A South African subsidiary of Sappi Limited, London. consisted of three mills, Enstra, Stanger and Adamas. The implementation of both TPM and Reliability Centred Maintenance (RCM) at the Enstra mill, an uncoated paper manufacturing unit, achieved a positive impact on availability, reliability, quality and the elimination of waste. However, quality was still variable and needed to be inspected throughout the process. As a further improvement, Statistical Process Control (SPC) was introduced, process standards were developed, and capability studies carried out. As a result, production processes were simplified, quality was in-built at source and a move from inspection to prevention was achieved. However, something was still lacking and the mill decided to implement Total Productive Maintenance (TPM). TPM is an approach that improves product and process reliability.

As part of the implementation of TPM: 1. A multi-disciplinary team, chaired by the production superintendent, was formed and this enabled supplier issues such as non-conformance with specification of raw materials to be addressed immediately; the supplier could be brought to the meeting if required. 2. Autonomous maintenance tasks that enhanced and built on RCM methodologies were identified as: (a) setup; (b) minor adjustments; (c) machine cleaning (to clean is to inspect, which is a basic premise); (d) bolting (operators checking if bolts were tight). 3. Identified training issues could also be addressed immediately by the human resources representative. 4. Operational level day-to-day proactive problem identification and solving was carried out using tools like the "five whys" to check whether other possible causes of failure had been addressed—or whether failure could have been prevented and what was needed to prevent possible reoccurrence of the failure. 5. Any problems identified were put on a gap list. Any gap that could not be closed by the Strategic Business Unit team was then passed to the team at the next level, which was known as the focus team. 6. A third-level team, called the integration team, was set up to solve problems at the systemic level and a fourth level team, the strategic team, chaired by the general manager and comprising all the heads of departments~ was made responsible for strategic issues and the entire productivity journey. Staff agreed that TPM helped the company as a result of its structured and systematic solution approach.

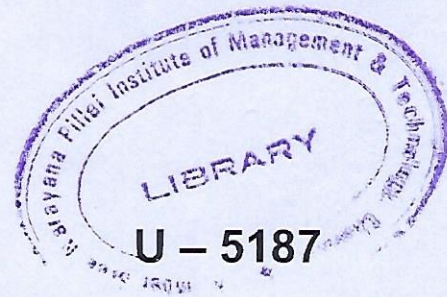


Questions

- (i) Do you agree with the opening statement of the cast "TPM has positive impact on paper manufacturer"? Explain why or why not
- (ii) Explain how teams were used by the company and what are the advantages of using teams in TPM.
- (iii) Do you think TPM is useful for a manufacturing organization? How?

(1 × 25 = 25 Marks)





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**Fourth Semester M.B.A. (Full Time / Travel & Tourism) Degree
Examination, October 2024**

MGLT07 – REVERSE SUPPLY CHAIN MANAGEMENT

(2020 Scheme)

Time : 3 Hours

Max. Marks : 75

PART – A

Answer **all** the questions. **Each** question carries **5** marks.

1. Explain the term Reverse Logistics.
2. Brief the product recovery options in reverse supply chains.
3. Role of third party logistics in reverse logistics.
4. Explain the considerations in inventory management in closed loop supply chain systems.
5. Define and explain additive manufacturing.

(5 × 4 = 20 Marks)

PART – B

Write in detail on any **three** questions. **Each** question carries **10** marks.

6. Explain the new dimensions of reverse logistics. Write notes on 5 R's of reverse logistics.
7. List down and discuss the features of major models of reverse logistics.
8. Explain various networks in Reverse logistics. Explain the issues and challenges.
9. Explain inventory models for closed loop systems.
10. Discuss the concept of digitisation in supply chains.

(3 × 10 = 30 Marks)

P.T.O.



PART – C
Compulsory.

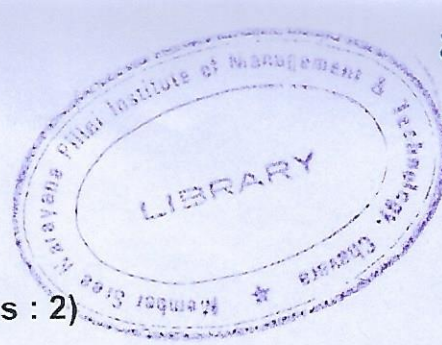
11. Varun Limited, a cash rich company involved in business of fruit processing and making of fruit syrup (sarbat). The fruit pulp is mainly exported and has very limited market in metros, whereas sarbat is having very good domestic market. They are selling their products under the very popular brand "Natural". They have a modern plant, which is located near Bhopal. The fruits purchased from various fruit cultivating areas such as grapes from Nasik, etc., to make effective localized procurement they have four procurement centers with cold storage facilities. The fruits are transported from this procurement centre to factory using hired trucks. While transporting fruits from warehouse to factory, there were shortages and also damages/decompositions that varied from 15% to 25% and also there were inconsistency in transit time. The "Natural" packaging is one of the reasons for popularity of his brand. The quality and taste of syrup has created very good consumer base for sarbat. The sarbat is sold in ten different variants and three different packaging sizes. The sarbat loses the taste if it is kept for longer period (2 months) in normal condition. The taste remains to its best if it is kept in cold condition. The sarbat is distributed through 20 different distribution centers and are equally distributed in each zone. These centers are directly reporting to factory and passes information once a week. These sarbat were packed in very strong secondary packaging, even then there were 18% to 20% damages in transit. There was excess inventory in some of the distribution centers while shortage in others. Also, specifically in summer season there were complaints about the quality (change in taste) of syrup. Entry of multinationals with synthetic sarbat increased the competition and put lot o pressure on "Natural". The Managing Director of Varun Limited formed a team of senior executive to come with concrete plan to fight the competition and increase market share and margin. And they decided to appoint a logistic, consultant to overcome some of the problem. The Managing Director wants to appoint you as logistics consultant to solve the above problems so that the company can fight competition and increase market share and margin.

Questions:

- (a) Suggest proper transportation policy to ensure minimum transportation loss of fruits and Sarbat and reduction in packaging cost.
- (b) Suggest the appropriate distribution method to maintain the quality of Sarbat
- (c) Develop a demand forecasting techniques to take care of seasonality, reduction in inventory and shortage of some area.
- (d) Establish a connectivity between factory and distribution centers (networking diagram)

(1 × 25 = 25 Marks)





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Reg. No. :

Name :

**Fourth Semester M.B.A. (Full Time / Travel & Tourism) Degree
Examination, October 2024**

MGTL 08 : RETAIL SUPPLY CHAIN MANAGEMENT

(2020 Scheme)

Time : 3 Hours

Max. Marks : 75

PART – A

Answer **all** the questions. **Each** question carries **4** marks.

1. Explain the concept of supply chain management.
2. Explain the difference between Retail SC and manufacturing SC.
3. Explain the advantages and disadvantages of Direct Store Delivery.
4. Explain the challenges in Dairy supply chain management.
5. Write a brief note on Service Retailing.

(5 × 4 = 20 Marks)

PART – B

Write in detail on any **three** questions. **Each** question carries **10** marks.

6. Discuss the significance of supply chain management.
7. Explain Retail Product Life Cycle Management.
8. Explain the contemporary issues in retail logistics. Make suggestions to improve retail logistics in India.
9. Explain the characteristics of Food and Grocery retailing supply chains. How do you manage those supply chains efficiently?
10. List down and discuss the various retail formats in India.

(3 × 10 = 30 Marks)

P.T.O.



PART – C

Compulsory.

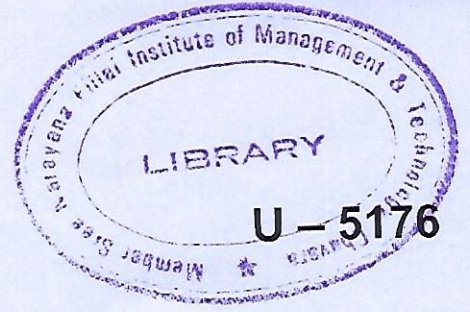
11. Whole Foods Market is a supermarket chain with less than two-hundred stores selling healthy, gourmet products such as organic vegetables, free-range poultry, foods without artificial ingredients or hydrogenated fats, and many environment-friendly products such as non-polluting detergents and chlorine 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 fuelled 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 earn 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 exceed the double the number of its stores by 2022.

Questions:

- (a) Discuss the promotion strategy of Whole foods. Why or why not is it appropriate? Elaborate.
- (b) Discuss the Positioning of Whole Foods.
- (c) 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.

(1 × 25 = 25 Marks)





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Reg. No. :

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**Fourth Semester M.B.A. (Full Time / Travel & Tourism)
DEGREE EXAMINATION, October 2024**

MGTM 08 RURAL MARKETING

(2020 Scheme)

Time : 3 Hours

Max. Marks : 75

SECTION – A

Answer **all** questions. Each question carries **4** marks.

1. What are the essential differences between rural and urban marketing?
2. What are the consumer segments relevant in rural market context?
3. What are the methods to evaluate a new product in the market?
4. Discuss the importance of ethics in rural marketing.
5. Explain the concept of green marketing.

(5 × 4 = 20 Marks)

SECTION – B

Answer in detail any **three** questions.

6. What are the characteristics of a rural market?
7. Rural consumer behaviour is different from that of the urban counterparts. Substantiate with valid points.

P.T.O.



8. What are physical distribution channels available in rural transects?
9. Explain the importance of influence of media in the context of rural marketing.
10. What is cooperative marketing? Explain the benefits of cooperative marketing.

(3 × 10 = 30 Marks)

SECTION – C

(Compulsory)

11. Read the following case and answer the questions given below.

In a remote rural area, located in a developing country, the lack of access to electricity was a significant challenge for the local population. The absence of reliable power sources not only hindered daily activities but also limited opportunities for economic growth and development. Additionally, the majority of the population consisted of women who faced limited income-earning opportunities and societal barriers. To address these issues, a social enterprise called "The Solar Sisters" was established. The Solar Sisters aimed to provide a sustainable solution to the energy problem while empowering local women and promoting socio-economic development. The initiative focused on the distribution and sales of solar-powered products, such as solar lamps, mobile phone chargers, and small-scale solar panels, tailored to meet the specific needs of the community.

The Solar Sisters identified local women as key agents of change and actively involved them in the enterprise. They recruited and trained women from the community as Solar Sister entrepreneurs. These women were equipped with the necessary knowledge and skills to promote, sell, and maintain solar products in their villages. By becoming Solar Sisters, these women gained a new source of income, increased financial independence, and became role models for other women in the community. The Solar Sisters adopted a community-centric approach, working closely with local leaders, community organizations, and residents to create awareness and build trust. Through educational workshops and awareness campaigns, they highlighted the benefits of clean energy and its positive impact on various aspects of daily life, including improved study conditions for children, extended working hours for businesses, and reduced health hazards from kerosene lamps. They implemented a sustainable business





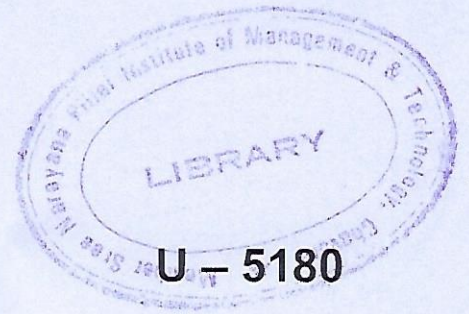
model that ensured the long-term viability and scalability of the initiative. They forged partnerships with solar product manufacturers to source high-quality, affordable products. Additionally, they leveraged microfinance institutions to offer flexible payment options, making the solar products accessible to the community. The revenue generated from product sales was reinvested into expanding the enterprise, training more Solar Sisters, and reaching additional rural areas.

The Solar Sisters' initiative had several positive outcomes in the rural community. The availability of solar-powered products brought reliable and affordable energy to previously under-served areas, improving the quality of life for residents. The Solar Sisters entrepreneurs experienced increased income and financial independence, enabling them to support their families and invest in their communities. Children had access to light for studying, contributing to improved educational outcomes. Additionally, the Solar Sisters' training programs equipped women with entrepreneurial skills and knowledge about clean energy, enhancing their employability and prospects for future opportunities. The adoption of clean energy sources reduced the dependence on fossil fuels, mitigating carbon emissions and improving environmental sustainability in the region. The Solar Sisters initiative challenged gender norms, empowering women to become change agents and influencers within their communities. This resulted in increased social inclusion, gender equality, and community cohesion. Through the Solar Sisters' social enterprise, the rural community was transformed by addressing the energy crisis, empowering women, fostering economic growth, and promoting sustainable development.

- (a) How effective was the Solar Sisters initiative in providing access to clean energy in the rural area?
- (b) To what extent did the Solar Sisters empower local women in the community?
- (c) What was the level of community engagement and awareness achieved by the Solar Sisters?
- (d) How sustainable was the business model adopted by the Solar Sisters?
- (e) What were the social, economic, and environmental outcomes of the Solar Sisters' initiative?

(1 × 25 = 25 Marks)





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Reg. No. :

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**Fourth Semester M.B.A. (Full Time / Travel & Tourism)
Degree Examination, October 2024**

**MGTF 06: BEHAVIOURAL FINANCE
(2020 Scheme)**

Time : 3 Hours

Max. Marks : 75

SECTION – A

Answer **all** the questions. Each question carries **4** marks.

1. Explain the concept of market efficiency and investor rationality in the context of behavioural finance.
2. What are perceptions, and what are some common errors of perception?
3. Explain Prospect Theory and its relevance in understanding investor behavior.
4. Discuss the influence of geomagnetic storms on emotions and financial markets.
5. Explain the concept of stock market bubbles and their implications.

(5 × 4 = 20 Marks)

SECTION – B

Write in detail on any **three** questions. Each question carries **10** marks.

6. (a) Explain the assumptions of behavioural finance and how they differ from the assumptions of standard finance. Discuss the implications of these assumptions on investment decision-making.
(b) Compare and contrast the Efficient Market Hypothesis (EMH) with the concept of investor rationality and market efficiency as proposed in behavioural finance.

P.T.O.



7. (a) Explain perception and explain how errors of perception can influence decision making.
(b) Discuss the concept of heuristics in decision making and its relevance.
 8. Discuss the strategies for dealing with biases and the concept of debiasing.
 9. Explain the concept of stock market bubbles and discuss their implications in investor behavior.
 10. Explain the neurophysiology of risk-taking in financial decision-making.
- (3 × 10 = 30 Marks)**

SECTION – C

Compulsory

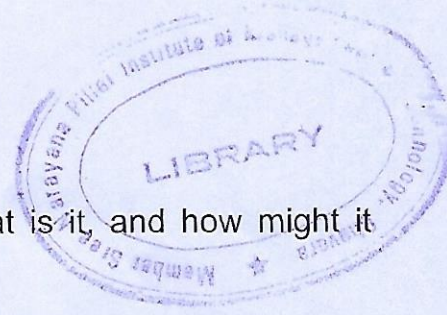
11. Case Study

Jane, a 35-year-old investor, has recently come into a significant inheritance and is looking to invest the funds wisely. She has a moderate risk tolerance and is interested in diversifying her portfolio to maximize returns. However, Jane is also subject to common behavioral biases that could influence her decision-making process.

Questions:

- (a) Identify and describe three common behavioral biases that might affect Jane's investment decisions.
- (b) How might the availability bias impact Jane's investment choices? Provide examples.
- (c) Explain the anchoring bias and discuss its potential consequences for Jane's portfolio allocation.
- (d) How can the confirmation bias influence Jane's investment decisions? Provide a hypothetical scenario.

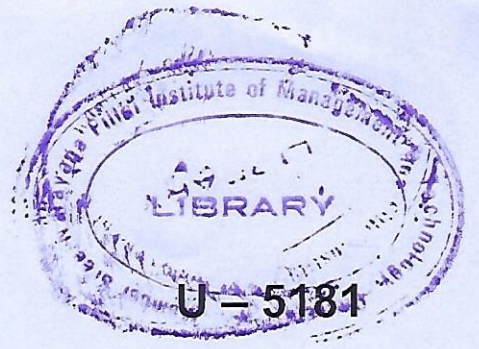




- (e) Jane has heard about the disposition effect. What is it, and how might it affect her investment strategy?
- (f) Discuss the potential consequences of the herd mentality bias on Jane's investment decisions.
- (g) Provide three strategies Jane can employ to overcome behavioral biases and make more rational investment choices.

(1 × 25 = 25 Marks)





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**Fourth Semester M.B.A. (Full Time/Travel and Tourism)
Degree Examination, October 2024**

**MGTF 07 : COMMODITIES AND FINANCIAL DERIVATIVES
(2020 Scheme)**

Time : 3 Hours

Max. Marks : 75

PART – A

Answer **all** the questions. Each question carries **4** marks.

1. Provide a historical overview of derivatives markets. How have derivatives evolved over time, and what factors have contributed to their growth and popularity?
2. Compare and contrast long and short hedges. How do these hedging strategies work, and when is each strategy appropriate? Provide examples to illustrate your answer.
3. Describe the Badla system in the Indian stock market and discuss its impact on derivatives trading.
4. Explain the concept of profit or loss in futures and options (F&O) trading. How are profits and losses determined in these derivative contracts?
5. Explain the reasons for managing derivatives risk and the potential consequences of inadequate risk management in derivative trading.

(5 × 4 = 20 Marks)

P.T.O.



PART – B

Write in detail on any **three** questions.. Each question carries **10** marks.

6. Provide an overview of derivative contracts. Explain the essential components of a derivative contract, including the underlying asset, contract specifications, pricing mechanisms, and settlement processes.
7. Describe the process of devising a hedging strategy. Explain how asset allocation, structured products, options, and cash holdings can be utilized to create an effective hedging plan. Discuss the considerations and trade-offs involved in choosing the appropriate hedging approach.
8. Explain the different types of derivative contracts in the equity market, including forwards, futures options, and swaps. Highlight their distinctive features and applications.
9. Explore options hedging strategies in derivatives markets. Discuss how options can be used to manage risk and provide downside protection.
10. Explain the concepts of volatility types in financial modeling. How are VAR (Value at Risk), ARIMA (Autoregressive Integrated Moving Average), and GARCH (Generalized Autoregressive Conditional Heteroskedasticity) models applied to different derivative instruments?

PART – C

(3 × 10 = 30 Marks)

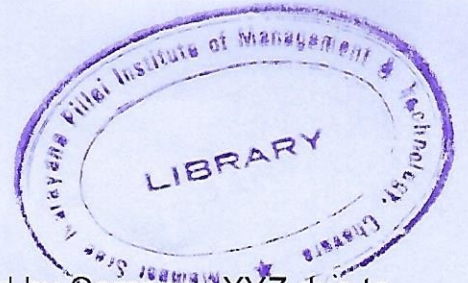
Compulsory

11. Case Study

Company XYZ is a multinational corporation that operates in the manufacturing industry. The company is exposed to various risks in its international operations, including foreign exchange risk and commodity price risk. As a risk management consultant, you have been hired to assess the hedging strategies that Company XYZ can employ to mitigate these risks.

- (a) Describe the concept of hedging and its importance in risk management for multinational corporations.

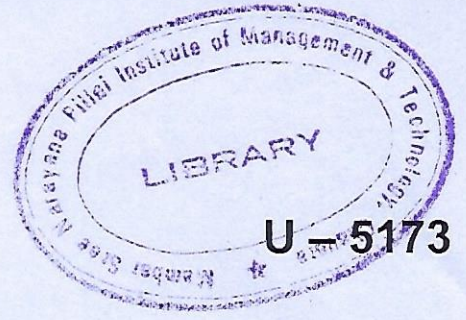




- (b) Analyze the specific foreign exchange risk faced by Company XYZ due to its international operations. Identify and explain the different types of hedging strategies that can be used to manage foreign exchange risk.
- (c) Company XYZ also faces commodity price risk due to its reliance on certain raw materials. Assess the nature of commodity price risk and discuss the hedging techniques that can be employed to mitigate this risk.
- (d) Based on the specific risks faced by Company XYZ, recommend a comprehensive hedging strategy that integrates both foreign exchange risk and commodity price risk management. Justify your recommendations and discuss the potential benefits and limitations of the proposed strategy.
- (e) In the context of international operations~ discuss the potential challenges and considerations that Company XYZ should take into account when implementing and monitoring the recommended hedging strategy.

(1 × 25 = 25 Marks)





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**Fourth Semester M.B.A (Full Time/Travel & Tourism) Degree Examination,
October 2024**

**MGTH 08 : LEADING AND MANAGING DIVERSITY IN ORGANISATIONS
(2020 Scheme)**

Time : 3 Hours

Max. Marks : 75

SECTION – A

Answer **all** the questions. Each question carries **4** mark.

1. State the importance of valuing diversity in workforce.
2. Distinguish Indian culture and Western culture.
3. Bring out the needs for linguistic proficiency in international business.
4. Write a brief note on diverse workforce.
5. Explain the concept of Corporate Governance.

(5 × 4 = 20 Marks)

SECTION – B

Write in detail on any **three** questions. Each question carries **10** marks.

6. What is Workforce Diversity? Explain the types of diversity.
7. Compare and contrast the value system of China and America.

P.T.O.



8. Discuss about the linguistic diversity. *Appraise* how the language and culture are related.
9. Elucidate the phases of globalization.
10. Explain about the ethical issues in managing diverse workforce.

SECTION – C

(3 × 10 = 30 Marks)

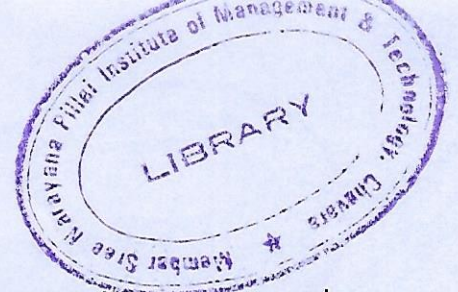
11. Compulsory

In a company that operates in over 170 countries, with a workforce of over 433,000 employees, and with a name that stands for International Business Machines, understanding and managing many types of diversity effectively is not optional—it is a key business priority. A company that employs individuals and sells products worldwide needs to understand the diverse groups of people that make up the world.

Starting from its early history in the United States, IBM Corporation has been a pioneer in valuing and appreciating its diverse workforce. In 1935, almost 30 years before the Equal Pay Act guaranteed pay equality between the sexes, IBM President Thomas Watson promised women equal pay for equal work. In 1943, the company had its first female vice president. Again, 30 years before the Family and Medical Leave Act (FMLA) granted women unpaid leave for the birth of a child, IBM offered the same benefit to female employees, extending it to one year in the 1960s and to three years in 1988. In fact, the company ranks in the top 100 on Working Mother magazine's "100 Best Companies" list, has been on the list every year since its inception in 1986, and was ranked in the top 10 best companies to work for executive women in 2013. It was awarded the honor of number 1 for multicultural working women by the same magazine in 2009.

IBM has always been a leader in diversity management. Yet the way diversity was managed was primarily to ignore differences and provide equal employment opportunities. This changed when Louis Gerstner became CEO in 1993. Gerstner was surprised at the low level of diversity in the senior ranks of the company. For all the effort being made to promote diversity, the company still had what he perceived a masculine culture.





In 1995, he created eight diversity task forces around demographic groups such as women and men, as well as Asians, African Americans, LGBT (lesbian, gay, bisexual, and transgender) individuals, Hispanics, Native Americans, and employees with disabilities. These task forces consisted of senior-level, well-respected executives and higher level managers, and members were charged with gaining an understanding of how to make each constituency feel more welcome and at home in IBM. Each task force conducted a series of meetings and surveyed thousands of employees to arrive at the key factors concerning each particular group. For example, the presence of a male-dominated culture, lack of networking opportunities, and work-life management challenges topped the list of concerns for women. Asian employees were most concerned about stereotyping, lack of networking, and limited employment development plans. African American employee concerns included retention, lack of networking, and limited training opportunities. Armed with a list of priorities, the company launched a number of key programs and initiatives to address these issues. As an example, employees looking for a mentor could use the company's website to locate one willing to provide guidance and advice. What is probably most unique about this approach is that the company acted on each concern whether it was based on reality or perception. They realized that some women were concerned that they would have to give up leading a balanced life if they wanted to be promoted to higher management, whereas 70 percent of the women in higher levels actually had children, indicating that perceptual barriers can also act as a barrier to employee aspirations. IBM management chose to deal with this particular issue by communicating better with employees as well as through enhancing their networking program.

The company excels in its recruiting efforts to increase the diversity of its pool of candidates. One of the biggest hurdles facing diversity in IBM is the limited minority representation in fields such as computer sciences and engineering. For example, only 4 percent of students graduating with a degree in computer sciences are Hispanic. To tackle this issue, IBM partners with colleges to increase recruitment of Hispanics to these programs. In a program named EXITE (Exploring Interest in Technology and Engineering), they bring girls in middle school together for a weeklong program where they learn math and science in a fun atmosphere from IBM's newest CEO, Ginni Rometty, is a living example that women can be both powerful and successful in the world of high tech.

What was the result of all these programs? IBM tracks results through global surveys around the world and identifies which programs have been successful and which issues are no longer are viewed as problems. These programs were instrumental in more than tripling the number of women executives increased sevenfold, and executives with disabilities tripled. With growing emerging



markets and women and minorities representing a \$1.3 trillion market, IBM's culture of respecting and appreciating diversity is likely to be a source of competitive advantage.

(a) What types of competitive advantages could IBM have gained from having such a diverse workforce?

(b) How can a company ensure that no employee is neglected, regardless of demographic group?

(c) Some individuals feel that so much focus is put on making the workplace better for underrepresented groups that the majority of the workforce becomes neglected. Do you feel this was the case at IBM? Why or why not?

(1 × 25 = 25 Marks)

