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1605N462

Candidate's Seat No : _____

MBA-2 Sem.-4 & MBA-3 Sem.-6 Examination

NE & IM

May-2025

[Max. Marks : 70

Time : 2-30 Hours]

All Questions are compulsory

Each question carries equal marks (14 marks)

Q.1 Isn't Corporate Entrepreneurship an oxymoron? Do the characteristics of an established organisation, such as its routine, increase efficiency but at the same time Kill any entrepreneurial spirit? Is there any way that a company can have the best of both words?

Q.2 What are the creative methods to generate the new ideas? Which methods are best in different situation Explain it with Example.

OR

Q.2 Is going international something that only large and established firms should pursue after they have achieved success in their domestic market? What are the ways to enter in the international market? Which way is more suitable in case of small and new start-ups?

Q.3 What is the purpose of the business plan if the audience is (a) the entrepreneur, (b) an investor, or a (c) key supplier? How might the plan be adapted for these different audience? Do you believe that it is better to simply have one business plan that serves all audience?

OR

Q.3 What are the three most effective advertisements on television? Why they are effective? What are the three least effective advertisement on television? Why are they ineffective? are they really ineffective if you have been able to recall them?

Q.4 What is new guideline for MSMEs? Which government registration process required to get the benefit of MSMEs? Which Government schemes helps to the MSMEs? What challenges MSMEs face at present in India? What is the contribution of MSMEs in Indian Economy?

OR

(P.T.O)

Q.4 A) What is innovation? What are the types of innovation explain with suitable example.

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B) Is it only the way to do horizontal diversification for the expansion of your business or manage your growth? if no then what are other ways which helps to manage your growth?

Q.5 "There is only one boss—the customer. And he can fire everybody in the company from the chairman on down, simply by spending his money somewhere else." – Sam Walton

INTRODUCTION

Sam Walton, an American entrepreneur, transformed the retail industry with the founding of Walmart and Sam's Club. His innovative model of low-cost, high-volume retailing reshaped global commerce. Under his leadership, Walmart grew into the world's largest retailer, making him one of the wealthiest individuals of his time.

Quick Facts:

- Full Name: Samuel Moore Walton
- Born: March 29, 1918, Kingfisher, Oklahoma
- Died: April 5, 1992, Little Rock, Arkansas
- Education: B.A. in Economics, University of Missouri (1940)
- Major Achievements: Founder of Walmart (1962) and Sam's Club (1983), innovator of "Everyday Low Prices"
- Net Worth at Death: \$25 billion

EARLY LIFE AND EDUCATION

Raised during the Great Depression in a modest farming family, Walton's early years were marked by financial hardship and frequent moves. He developed resilience, frugality, and a strong work ethic.

Highlights:

- Youngest Eagle Scout in Missouri
- Active in sports, leadership, and academics in high school
- Worked various jobs—paper delivery, milking cows—to support his family
- Graduated from the University of Missouri with honors in Economics
- Member of Beta Theta Pi, ROTC, and QEBH honor society

These formative experiences heavily influenced his later business principles.

EARLY CAREER AND MILITARY SERVICE

Walton began his retail career at J.C. Penney, where he showed talent in sales but struggled with bookkeeping. Despite criticisms, his people skills kept him employed.

During WWII, he served as a communications officer in the U.S. Army Intelligence Corps, gaining valuable logistics and leadership experience. After the war, Walton was determined to start his own business.

FIRST STORE AND LESSONS LEARNED

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In 1945, Walton bought a Ben Franklin variety store in Newport, Arkansas, using \$5,000 of his savings and a \$20,000 loan from his father-in-law.

Key Practices:

- Undercut competitors with lower prices
- Ensured fully stocked shelves
- Prioritized customer satisfaction

The store tripled its revenue in three years but was lost when the landlord refused to renew the lease.

Walton sold the store and started over.

RESTARTING IN BENTONVILLE (1950)

Walton opened "Walton's Five & Dime" in Bentonville, Arkansas, with a 99-year lease to avoid landlord issues. He continued emphasizing low prices, bulk buying, and excellent customer service. By 1960, he owned 15 stores across three states. Still, franchise fees and small-town limitations made him seek a bolder path.

THE BIRTH OF WALMART (1962)

After the Ben Franklin chain rejected his discount retailing idea, Walton went independent. On July 2, 1962, he launched the first Walmart in Rogers, Arkansas.

Game-Changing Innovations:

- Everyday Low Prices (EDLP): Low prices year-round
- Supply Chain Efficiency: Used regional warehouses and bought directly from manufacturers
- Small-Town Focus: Targeted markets other retailers ignored
- Employee Ownership: Introduced profit-sharing programs

These innovations helped Walmart grow rapidly while rivals struggled to adapt.

RAPID GROWTH AND EXPANSION

Major Milestones:

- 1970: Walmart goes public, raising \$5 million
- 1980: 276 stores across the U.S.
- 1983: Launched Sam's Club
- 1988: Introduced Walmart Supercenters
- 1990: Becomes the largest U.S. retailer

By the late '80s, Walmart was expanding at over 100 stores annually.

CHALLENGES AND FAILURES

Even with its success, Walmart faced challenges:

- Supplier Pushback: Some refused to accept low-margin deals
- International Setbacks: Struggled in Germany, South Korea, and China due to cultural and market misalignments

(P.T.O)

- Criticism: Accused of driving out small businesses, underpaying workers, and strict labor policies

Nonetheless, Walmart continuously adapted to retain its dominance.

RECOGNITION AND LEGACY

Honors:

- 1985: Forbes' richest American (\$2.8 billion)
- 1992: Received the Presidential Medal of Freedom
- 1998: Named one of Time Magazine's 100 Most Influential People of the 20th Century

PERSONAL LIFE AND DEATH

Walton married Helen Robson, with whom he had four children. Despite his wealth, he lived simply, driving an old pickup truck and avoiding luxury.

He passed away from bone cancer in 1992 at age 74. His values and vision still shape Walmart's culture today.

WALMART TODAY

- Revenue (2020): \$524 billion
- Employees: 2.2 million
- Stores: 11,766 worldwide
- E-commerce Revenue (2020): \$38 billion

Though facing a \$19 billion stock loss in 2022, Walmart remains a retail giant built on Walton's principles.

CONCLUSION

Sam Walton didn't invent retail, but like Henry Ford with the automobile, he revolutionized it. His model of affordable pricing, operational efficiency, and customer-first philosophy made Walmart a global powerhouse—and changed how the world shops.

Answer the following questions

1. What early life experiences shaped Sam Walton's entrepreneurial mindset and values?
 2. How did Walton's vision for retail differ from existing models at the time?
 3. What qualities made Sam Walton a successful entrepreneur despite early setbacks?
 4. What risks did Walton take when launching Walmart, and how did he mitigate them?
 5. How did Walton respond to failure when he lost his first store in Newport, Arkansas?
 6. Which factor made him an entrepreneur?
 7. What strategies did Walton use to scale Walmart from a single store to a global retailer?
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