

Plot No. 2, Knowledge Park-III, Greater Noida (U.P.) –201306

POST GRADUATE DIPLOMA IN MANAGEMENT (2025-27)

MID TERM EXAMINATION (TERM -I)

 Subject Name: **AI for Managers**

 Time: **01.00 hrs**

 Sub. Code: **PG305**

 Max Marks: **20**
Note: All questions are compulsory. Read the case and answer the questions
Kindly write the all the course outcomes as per your TLEP in the box given below:

COs	Statement of Course Objectives	Bloom Level
COB-1	To Familiarize students the foundational concepts and evolution of Artificial Intelligence (AI) and Generative AI (GenAI).	
COB-2	To equip students with the knowledge to apply AI across key business do- mains, including Marketing, Finance, Human Resources, and Research.	
COB-3	To learn effectiveness and ethical considerations of various GenAI tools in managerial decision-making.	
COB-4	To understand and apply prompt engineering techniques to optimize the use of GenAI tools for specific business scenarios.	
COB-5	To strategic plan integrating AI solutions to enhance organizational perfor- mance.	

Read the case and answer the questions
Case Study: Samsung Fat Finger

On the 6th April 2018 an employee of Samsung Securities, who was setting up a dividend payout to employees as part of a stock ownership plan, mistyped the units. Instead of entering the currency to be used, which in this case was 'Won', they entered 'Shares'. This meant that 1,000 shares per share were issued as a dividend instead of 1,000 Won being paid out. This simple mis-click resulted in approximately \$100 billion worth of shares being distributed to employees rather than the circa \$2 billion that was mean to be handed out.

It took Samsung Securities only 37 minutes to realise its error and put a stop on its employees selling any of the incorreced allocation shares. Within that short period of time 16 employees had managed to sell their shares and, in the process make a mint. In total 5 million shares were sold within the 37 minutes before the brakes got applied, which resulted in approximately \$187 million being earned.

The fallout from this simple mistype of a key or click of a mouse were huge. The share price of Samsung Securities plummeted by 11 percent within a day, resulting in the company losing approximately \$300 million of its market value. The Korean financial regulator (The Financial Supervisory Service) was concerned that the incident undermined the trust in the countries capital market.

It wasn't only the share price that took a hit. Major customers started to go cold on the company as concerns were raised around a lack of controls; "We have suspended direct trading with Samsung Securities on concerns over decreasing stability in trading after a financial accident occurred," an official with the National Pension Service said.

On the 7th May 2018, Samsung Securities issued statements to the effect that it would look to impose criminal proceeding against the individuals involved. Over the course of the next few years court cases were heard in the Seoul Southern District Court which issued a number of suspended sentences of between 18 months to 2 years with fines imposed as well ranging from 10 to 20 million won (approximately \$8-17,000).

On the 28th May the company's headquarters were was raided by South Korean law enforcement officers. Investigators searched the corporate head office in Seocho along with four other premises, looking for evidence of criminal activities.

After examining the evidence collected the regulator handed down a six-month suspension on Samsung Securities onboarding new customers. Additionally, the CEO was suspended from his duties for a three-month period. This was clearly too much as on Friday the 27th July the company's Chief Executive Officer Koo Sung-hoon resigned.

Discussion Questions:

Q1. From the case above, explain how the implementation of AI could have mitigated the issue faced by Samsung. CO1

Q2. Write a few points on how AI can be used in the finance sector to reduce such incidents: CO2

COs	Blooms Taxonomy Levels	Marks Allocated
CO1	L2	10 Marks
CO2	L3	10 Marks

Blooms Taxonomy Levels given below for your ready reference:

L1= Remembering

L2= Understanding

L3= Apply

L4= Analyze

L5= Evaluate

L6= Create