

It opened its first overseas center in Britain. By 1996, the company was earning \$21.7 million on revenues of \$506.5 million with centers in 38 states and the United Kingdom.

- (a) What did this company do right?
- (b) What mistakes did it make?
- (c) Do you think it made the right decision to grow internationally?
- (d) Should it expand further? If so, what corporate strategy should it use?

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STRATEGIC MANAGEMENT

Time : Three hours

Maximum : 100 marks

Answer any FIVE questions.

(5 × 20 = 100)

1. Explain the steps involved in Strategic Decision Making Process.
2. "It is very difficult to implement corporate governance in Indian business environment". Discuss.
3. Discuss how a development in a corporation's social environment can effect the corporation through its task environment.
4. Elaborate the process of strategy formulation through TOWS matrix and explain with example.

4 5800/PMFM12/
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5. Define functional strategy. Discuss the different phases in fictional strategy.

6. Explain the role of portfolio analysis in corporate strategy formulation.

7. How can a corporation keep from sliding into the decline state of organization life? Explain.

8. Explain the steps in managing Corporate Culture.

9. Elaborate the sub stages in small Business Development.

10. Read the following example of a company that has had its share of successes and failures in a very unique industry. Consider the questions at the end of the paragraph and discuss them with others.

Kinder-Care Learning Centers had been founded to take advantage of the increasing numbers of dual-career couples who were turning to day-care centers to watch their children while they were at work. In comparison to some centers that were nothing more than babysitting services providing only minimal attention to the needs of the children. Kinder-Care offered pleasant

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surroundings staffed by well-trained personnel. Soon Kinder-Care had over 1,000 centers in almost 40 cities in the united states. Not satisfied with its success, however, Kinder-Care's top management decided to take advantage of its relationship with working parents to diversify into the somewhat related business of banking, insurance and retailing. Financed through junk bonds, the strategy failed to bring in enough cash to pay for its implementation. After years of losses, the company was driven to bankruptcy in the later 1980s.

It emerged from bankruptcy in 1993, divested of its acquisitions and pledged to stay away from diversification. The new CEO initiated a concentration strategy with an emphasis on horizontal growth.

Kinder-Care opened its first center catering expressly to commuters in a renovated supermarket near the Metro line to Chicago. It also offered to build child-care centers for big employers or to run existing facilities, for a fee.

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