

Enrollment No.....



Faculty of Management Studies
End Sem (Even) Examination May-2019
MS3EG07 Business Strategy

Programme: BBA

Branch/Specialisation: Management

Duration: 3 Hrs.**Maximum Marks: 60**

Note: All questions are compulsory. Internal choices, if any, are indicated. Answers of Q.1 (MCQs) should be written in full instead of only a, b, c or d.

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|-----|------|--|---|
| Q.1 | i. | Strategic management is mainly the responsibility of | 1 |
| | | (a) Lower management (b) Middle management | |
| | | (c) Top management (d) All of these | |
| | ii. | Strategic management deals with | 1 |
| | | (a) Production and quality (b) Profit and loss | |
| | | (c) Business process (d) All of these | |
| | iii. | Macro environment | 1 |
| | | (a) Political- legal (b) socio-cultural | |
| | | (c) Economic-demographic (d) All of these | |
| | iv. | Financial environment is concerned with | 1 |
| | | (a) Demand & supply of money | |
| | | (b) Capital markets | |
| | | (c) Both (a) and (b) | |
| | | (d) None of these | |
| | v. | Micro environment is the _____ environment of a company. | 1 |
| | | (a) Working (b) Human (c) External (d) Internal | |
| | vi. | The _____ of any organization is “the aggregate of all conditions, events and influences that surround and affect it.” | 1 |
| | | (a) System (b) Environment | |
| | | (c) Structure (d) Strategy | |
| | vii. | ETOP stands for _____. | 1 |
| | | (a) Environmental threat & opportunity project | |
| | | (b) Environmental threat & opportunity profile | |
| | | (c) Environmental treaty & opportunity profile | |
| | | (d) Environmental threat & optimum profile | |

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viii.	Attack strategies are	1
	(a) Frontal attack (b) Flank attack	
	(c) Encirclement attack (d) All of these	
ix.	The control process requires the following types of information	1
	(a) Planned performance (b) Variances	
	(c) Reasons (d) All of these	
x.	_____ and greater accountability replace formal control.	1
	(a) Self-discipline (b) Self appraisal	
	(c) Both (a) and (b) (d) None of these	
Q.2	i. What do you mean by strategy?	2
	ii. How mission is different from vision?	2
	iii. Explain the various phases of strategy formulation?	4
OR	iv. What are the characteristics of strategic management?	4
Q.3	i. How do political and social factors affect strategic planning?	3
	ii. Discuss the Porter's Five Forces model.	5
OR	iii. Explain the strategies used in the global environment for building and restructuring the corporation.	5
Q.4	i. Define strategic advantage profile.	3
	ii. Examine the impact of globalization on Industry structure.	5
OR	iii. What is the necessity for companies to go global?	5
Q.5	i. Define corporate portfolio analysis.	2
	Attempt any two:	
	ii. Discuss the importance of SWOT analysis.	3
	iii. Discuss the importance of ETOP analysis.	3
	iv. Explain BCG Matrix.	3
Q.6	Attempt any two:	
	i. What are the power and conflict techniques of strategic evaluation?	4
	ii. Explain four types of strategic control.	4
	iii. Discuss the major issues involved in the Implementation of strategy.	4

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Q.7

Case Study

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Meters Limited is a company engaged in the designing, manufacturing, and marketing of instruments like speed meters, oil pressure gauges, and so on, that are fitted into two and four wheelers. Their current investment in assets is around Rs. 5 crores and their last year turnover was Rs. 15 crores, just adequate enough to breakeven. The company has been witnessing over the last couple of years, a fall in their market share prices since many customers are switching over to a new range of electronic instruments from the range of mechanical instruments that have been the mainstay of Meters Limited. The Company has received a firm offer of cooperation from a competitor who is similarly placed in respect of product range. The offer implied the following: (i) transfer of the manufacturing line from the competitor to Meters Limited; (ii) manufacture of mechanical instruments by Meters Limited for the competitor to the latter's specifications and brand name; and (iii) marketing by the competitor. The benefits that will accrue to Meters Limited will be better utilization of its installed capacity and appropriate financial compensation for the manufacturing effort. The production manager of Meters Limited has welcomed the proposal and points out that it will enable the company to make profits. The sales manager is doubtful about the same since the demand for mechanical instruments is shrinking. The chief Executive is studying the offer.

Read the above case and answer the following questions:

- What is divestment strategy? Do you see it being practiced in the given case? Explain.
- What is stability strategy? Should Meters Limited adopt it?
- What is expansion strategy? What are the implications for Meters Limited in case it is adopted?
- What are your suggestions to the Chief Executive?

Marking Scheme
MS3EG07 Business Strategy

Q.1	i.	Strategic management is mainly the responsibility of (c) Top management	1
	ii.	Strategic management deals with (c) Business process	1
	iii.	Macro environment (d) All of these	1
	iv.	Financial environment is concerned with (c) Both (a) and (b)	1
	v.	Micro environment is the _____ environment of a company. (a) Working / (c) External	1
	vi.	The _____ of any organization is “the aggregate of all conditions, events and influences that surround and affect it.” (b) Environment	1
	vii.	ETOP stands for _____. (b) Environmental threat & opportunity profile	1
	viii.	Attack strategies are (d) All of these	1
	ix.	The control process requires the following types of information (d) All of these	1
	x.	_____ and greater accountability replace formal control. (a) Self-discipline	1
Q.2	i.	Meaning of strategy	2
	ii.	Mission is different from vision 1 mark for each point (1 mark * 2)	2
OR	iii.	Phases of strategy formulation 1 mark for each phase (1 mark * 4)	4
	iv.	Characteristics of strategic management 1 mark for each point (1 mark * 4)	4
Q.3	i.	Political and social factors affect strategic planning Any three points 1 mark for each (1 mark * 3)	3
	ii.	Porter’s Five Forces model.	5
OR	iii.	Strategies used in the global environment for building and restructuring the corporation Any five points 1 mark for each (1 mark * 5)	5

Q.4	i.	Strategic advantage profile.	3
	ii.	Impact of globalization on Industry structure Any five points 1 mark for each (1 mark * 5)	5
OR	iii.	Necessity for companies to go global Any five points 1 mark for each (1 mark * 5)	5
Q.5	i.	Corporate portfolio analysis. Attempt any two:	2
	ii.	Importance of SWOT analysis Any three points 1 mark for each (1 mark * 3)	3
	iii.	Importance of ETOP analysis. Any three points 1 mark for each (1 mark * 3)	3
	iv.	BCG Matrix.	3
Q.6		Attempt any two:	
	i.	Power and conflict techniques of strategic evaluation Any four points 1 mark for each (1 mark * 4)	4
	ii.	Four types of strategic control. Any four types 1 mark for each (1 mark * 4)	4
	iii.	Major issues involved in the Implementation of strategy. Any four points 1 mark for each (1 mark * 4)	4
Q.7		Case Study	10
		Read the above case and answer the following questions:	
	(a)	What is divestment strategy? Do you see it being practiced in the given case? Explain. 2.5 marks	
	(b)	What is stability strategy? Should Meters Limited adopt it? 2.5 marks	
	(c)	What is expansion strategy? What are the implications for Meters Limited in case it is adopted? 2.5 marks	
	(d)	What are your suggestions to the Chief Executive? 2.5 marks	
