

Graphic Era Hill University, Dehradun
(Answer Sheet for Online Examination Jan. 2022)

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Subject Name: Strategic Management Subject Code: BBA-309 Page No. 01.....

Ques 1-(a)- Strategic Management - Strategic Management is concept of identification, implementation, and management of the strategies that managers carry out to achieve goals and objectives of their organizations. It can also be thought as bundle of decisions that the managers have to undertake which directly contribute to firms performance.

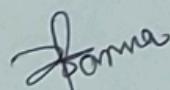
Vision Statement - It focuses on aspirations of an organization. The importance of vision statement is that it provides the overall direction, an organization is headed to, which describes how the future will look if the organization achieves its mission.

Mission Statement - Mission statement provides a detailed information about what, how and who does something in an organization. This is important because mission statement defines product or services as well as customers of the organization.

Goals - Goals define a company's purpose, assist its business growth. They are important because, goals provide guidance and direction, facilitate planning, motivate the stakeholders.

Objectives

Objectives Objectives can be thought as smaller steps supporting a larger goal. They are important because they are more specific about what to do.



Signature of Student

Ques 2- (a) Planning - The process which involves steps a company takes to develop budgets to guide its future activities.

Planning Process

- ① Environmental Analysis → Analyze the factors affecting
- ② Determination of Objectives → Determining what to achieve
- ③ Strategy formulation → Accordingly strategies are formulated
- ④ Tactical Plan → A plan is developed
- ⑤ Implementation → The plan is implemented
- ⑥ Performance → Measuring the effectiveness
- ⑦ Follow Up Action → Accordingly follow up action takes place

Stability Strategy - A corporate level strategy where the organization focuses on maintaining its current market position.

- ① No Change (No change in strategy)
- ② Profit Strategy (Move toward profit)
- ③ Pause - Process with Caution (Maintain present and move)

Growth & Expansion Strategy - A corporate level strategy where organization focuses on current and future challenges in order to realize its goals for expansion.

- ① Concentration → focus on stronger arenas
- ② Integration → (i) Horizontal (ii) Vertical
- ③ Diversification → going to conglomerate or related
- ④ Strategic Alliance → mixing
- ⑤ Internationalization → crossing boundaries for gaining customers

Growth and Expansion Strategies

- Concentration → Market Penetration, Market Development, Product Development
- Integration
 - vertical
 - horizontal → forward
 - backward
- Diversification
 - related (concentric) → marketing
 - Technology
 - Mkt & Tech
 - unrelated (conglomerate)
 - Product price
 - Place Promotion
- Internationalization
 - International
 - Multidomestic
 - Global
 - Transnational

Stability Strategies

- No change
- Profit
- Pause- Process with Caution

Ques-3- (b) we can influence the choice of strategy by focusing and narrowing down the factors affecting it as follows:

- ① Environmental constraints
- ② Values and preferences
- ③ Internal organizations and management power relationships
- ④ Management's attitude towards risk
- ⑤ Impact of past strategy
- ⑥ Time constraints - time pressure, frame horizon, timing of revision
- ⑦ Information constraints
- ⑧ Competitor's reaction

To influence our organization's specific objectives, we can:

- (i) focus on alternatives
- (ii) analyze the strategic alternatives
- (iii) evaluate the strategies
- (iv) then make a strategic choice wisely.

Strategic evaluation and control is the process of determining the effectiveness of a given strategy in achieving the organizational objectives and taking corrective actions whenever required. Control can be exercised by formulation of contingency strategies and ~~the~~ management team.

Crisis It gives us a sense of

- Red Ocean } → guidance, direction, confidence, information
- Blue Ocean } check on validity, and success.

- ① Environmental Scanning
- ② Strategy formulation
- ③ Implementation
- ④ Evaluation

Ques 4-(a) Strategic control

Strategic control is defined as finding different methods to implement a strategic plan. It is unique to handle and intends to handle the unknown and track the strategic implementation and its results. It is primarily concerned with finding and assisting in adapting to different factors, including external and internal factors.

The primary objective of strategic control is to ensure that the organization has an effective balance and alignment with its internal and external environment. This is very important when it comes to moving forward towards achieving strategic goals. After a strategy is implemented, according to assumptions about different events made by the management. The strategic control is concerned primarily with tracking the strategy as it is being implemented. It detects any problems or implements necessary changes that are necessary to make adjustments.

types of strategic controls:

- ① Premise control - forces and factors affecting are dealt
- ② Implementation control - confirm and ascertain while implementing
- ③ Strategic surveillance - monitor wide range of events (both internal and external)
- ④ Special Alert control - for unforeseeable events

Ques-5

(a) Diversification strategy ? growth and expansion?

Diversification strategy is applied when the companies wish to grow. It is process or practice in which you introduce a new product in your supply chain in order to increase profits. These products could be a new segment of industry your company already occupies.

types of Diversification strategies

(i) Concentric (Related Diversification) - The new product you added is related to your existing product, like Apple made a new electronic pen for the iPads.

(ii) Conglomerate (Unrelated Diversification) - New product you added has nothing to do with your existing product, for example Tata Salt has nothing to do with Tata Consultancy Services

Retrenchment strategies

Retrenchment strategy is adopted when an organization aims at reducing its one or more business operations with view to cut expenses and reach to a more stable financial position.

(contraction of activities) → downsizing the scope

types of retrenchment strategies

(i) Disinvestment - sell, close or spin off any SBU { strategic Business Unit }, product line etc.

(ii) Turnaround - upward shift, try to reverse the actions of loss making SBU-s.

(iii) Liquidation - selling off assets and final closure.