

Enrollment No.....



Faculty of Management
End Sem (Odd) Examination Dec-2017
MS5CO14 Strategic Management

Programme: MBA

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.

- Q.1
- i. Corporate governance procedures are needed to ensure that: **1**
 - (a) Stock prices remain high
 - (b) Managers carry out business unit plans
 - (c) Managers adhere to ethical norms
 - (d) None of the above
 - ii. A statement about what an organization wants to become, which sets out an organization's future is referred to as: **1**
 - (a) Mission
 - (b) Values
 - (c) Organizational goals
 - (d) Vision
 - iii. Which of the following is **NOT** the condition necessary for the achievement of Sustainable Competitive Advantage (SCA)? **1**
 - (a) The perceived difference results from cheaper price
 - (b) The customer consistently perceives a positive difference between the products and services offered by the company and its competitors
 - (c) The perceived difference results from the company's relatively greater capability
 - (d) The perceived difference persists for a reasonable period of time.
 - iv. In Porter's five forces model, what is meant by the term substitute? **1**
 - (a) It is a rival firm offering the same products
 - (b) It refers to an alternative manufacturing process
 - (c) It is an alternative product or service that performs the same function for the consumer
 - (d) None of the above

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- v. What can an environmental analysis be used to provide an organization with? **1**
(a) Market share
(b) A proactive strategy outcome or a reactive strategic situation
(c) Changeability
(d) Informal cooperative links and networks
- vi. Positive situational factors and internal capabilities is part of company's: **1**
(a) Strengths (b) Weaknesses
(c) Opportunities (d) Threats
- vii. These strategies are often employed in mature markets as firms/products enter a decline phase. The goal is to maximize short term profits and stimulate a positive cash flow: **1**
(a) Harvest strategy (b) Divest strategy
(c) Hold strategy (d) Growth strategy
- viii. An organization can offer standard products at acceptable levels of quality yet generate above average profit margins by adopting_____. **1**
(a) Differentiation strategy (b) Focus strategy
(c) Cost leadership strategy (d) Market follower strategy
- ix. _____ assesses the whole strategic management process. **1**
(a) Strategic audit (b) Company audit
(c) Business audit (d) None of these
- x. Strategy evaluation is necessary because **1**
(a) Internal and external factors are constantly changing
(b) Competitors change their strategies
(c) Firms have limited resources
(d) All of the above
- Q.2 i. Explain strategy and discuss the need of strategic management in an organization. **2**
ii. Define vision and explain characteristics of a strategic vision. **8**
OR iii. Discuss the various stages in the model of strategic management. **8**
- Q.3 i. What do you understand by core competency? Explain with the help of an example. **2**

- ii. Discuss Porter's five forces model and how this model determines the competitive intensity and the attractiveness of an industry in terms of its profitability. **8**
- OR iii. Explain Porter's Diamond theory of national advantage with the help of an example. **8**
- Q.4 i. Discuss MACRO environmental factors in brief. **2**
ii. "SWOT analysis helps you carve a sustainable competitive advantage." Discuss. **8**
OR iii. Discuss Strategic Advantage Profile (SAP) analysis and explain how it helps a company to diagnose its strengths and weaknesses. **8**
- Q.5 i. Discuss the retrenchment strategies at the corporate level. **2**
ii. Write short note on Mc Kinsey's 7s framework and BCG matrix. **8**
OR iii. Describe the ETOP analysis. Under what condition the company uses this analysis? **8**
- Q.6 i. Discuss the importance of value chain analysis in strategic management. **2**
ii. Explain strategic evaluation and control. What are the key success criteria for strategy evaluation? **8**
OR iii. What do you understand by strategic audit? Discuss its importance in organizations. **8**

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Marking Scheme

Q.1	i.	(c) Managers adhere to ethical norms	1
	ii.	(d) Vision	1
	iii.	(a) The perceived difference results from cheaper price	1
	iv.	(c) It is an alternative product or service that performs the same function for the consumer	1
	v.	(b) A proactive strategy outcome or a reactive strategic situation	1
	vi.	(a) Strengths	1
	vii.	(a) Harvest strategy	1
	viii.	(c) Cost leadership strategy	1
	ix.	(a) Strategic audit	1
	x.	(a) Internal and external factors are constantly changing	1
Q.2	i.	Strategy definition = 1 Strategic management = 1	2
	ii.	Vision = 2 Characteristics of vision = 6	8
OR	iii.	Stages in the model of strategic management = 8	8
Q.3	i.	Core competency = 1 Example of core competency = 1	2
	ii.	Porter's five forces model = 8	8
OR	iii.	Porter's diamond theory = 6 Example = 2	8
Q.4	i.	Macro environmental factors = 2	2
	ii.	SWOT analysis = 8	8
OR	iii.	SAP analysis = 4 How SAP analysis helps companies diagnose its strengths and weaknesses = 4	8
Q.5	i.	Retrenchment strategy = 2	2
	ii.	Mc Kinsey's 7S framework = 4 BCG matrix = 4	8
OR	iii.	ETOP analysis = 6 Under what condition the company uses this analysis = 2	8

Q.6	i.	Importance of value chain = 2	2
	ii.	Strategic evaluation and control = 4 Key success criteria for strategy evaluation = 4	8
	iii.	Strategic audit = 4 Importance of strategic audit = 4	8
