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(20516)

Roll No.

MBAIB-IV Sem.

2079

MBAIB Examination, May 2016

Business Policy and Strategic

Management

(MBAIB-405)

Time : Three Hours] [Maximum Marks : 100

Note : The question paper contains three parts.

All questions are compulsory.

Section A 20

1. This question contains 20 objective type-questions, choose the correct answer and write its serial order :

(i) Which of these is not a reason why some firms do no strategic planning?

1

(a) Laziness

(b) Competitive leadership

(c) Honest difference of opinion

(d) Poor reward structures

(ii) The means by which Long term objectives will be achieved are - 1

(a) Mission statements

(b) Strategies

(c) Vision statements

(d) Long term goals

(iii) The ____ answers the question "What do we want to become, whereas ____ answers the question" what is our business". 1

(a) Vision statement; mission statement

(b) Objectives; strategies

(c) Goal; objectives

(d) Mission statement; vision statement

(iv) What is the recommended length of an effective mission statement? 1

(a) One page

(b) Less than 200 words

(c) One sentence of 10 to 20 words.

(d) There is no such recommendation. It can be as long as management wants.

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- (v) What represents the average score in both EFE and CPM. 1
 - (a) 2.0
 - (b) 3.0
 - (c) 2.5
 - (d) 4.0
- (vi) Which of these is not a part of Porters competitive forces in industry analysis. 1
 - (a) Potential entry of new competitors
 - (b) Bargaining power of suppliers
 - (c) Development of substitute products
 - (d) Bargaining power of union
- (vii) What is based on the assumption that the future will be just like the past. 1
 - (a) Delphi forecasts
 - (b) Econometric models
 - (c) Linear regression
 - (d) Scenario forecasts
- (viii) Shorthand words use to capture a vision or to reinforce old or new values in a firm's culture are called - 1
 - (a) Metaphors
 - (b) Sagas
 - (c) Rituals
 - (d) Symbols

- (ix) An effective information system collects, codes, stores, synthesizes and ___ information in such a manner that it answers important operating and strategic questions.
 - (a) Prints
 - (b) Distributes
 - (c) Presents
 - (d) filters
- (x) Adding new, unrelated products or services for present customers. 1
 - (a) Concentric diversification
 - (b) Horizontal diversification
 - (c) Conglomerate diversification
 - (d) Product development
- (xi) Two reasons for mergers and acquisitions are : 1
 - (a) To increase managerial staff and to minimize economies of scale
 - (b) To reduce tax obligations and increase managerial staff.
 - (c) To create seasonal trends in sales and to make better use of a new sales force.
 - (d) To provide improved capacity utilization and to gain new technology

(xii) Which strategy would be effective when the new products have a counter cyclical sales pattern compared to an organizations present products? 1

- (a) Forward integration
- (b) Retrenchment
- (c) Horizontal diversification
- (d) Market penetration

(xiii) The first option that should be considered for firms in Quadrant II of the Grand strategy matrix is the : 1

- (a) Integration strategy
- (b) Intensive strategy
- (c) Defensive strategy
- (d) Diversification strategy

(xiv) The pie slices within the circles of a matrix reveal the percent of corporate profits contributed by each division. Which matrix : 1

- (a) QSPM
- (b) BCG Matrix
- (c) SPACE Matrix
- (d) Grand strategy Matrix

(xv) All of the following are stated advantages of a divisional structure except :

- (a) It allows local control of local situations
- (b) It leads to a competitive climate within a firm
- (c) Accountability is clear
- (d) It promotes specialization of labor

(xvi) Which approach involves delivering parts and materials as needed rather than being stockpiled. 1

- (a) JIT
- (b) MBO
- (c) PERT
- (d) CAD-CAM

(xvii) The origins of Business Policy and strategic management can be retraced to- 1

- (a) 1930
- (b) 1911
- (c) 1879
- (d) 1938

(xviii) BCG in BCG matrix stands for - 1

- (a) Boston Calmette Group
- (b) British Consulting Group
- (c) Boston Corporate Group
- (d) Boston Consulting Group

(xix) Which of the following is not part of micro env. 1

- (a) Laws and Policies
- (b) Demographics
- (c) Suppliers
- (d) Social Values

(xx) In strategic thinking how long is the long term approximately - 1

- (a) 1 Month to 1 year
- (b) 2 to 3 years
- (c) 3 to 5 years
- (d) More than 5 years

Section B (30 Marks)

2. Describe the process of strategic management. Draw a neat chart that shows comprehensively the different elements in the strategic management process.

OR

Discuss the conditions under which a firm can attain cost leadership and differentiation simultaneously. How is this achieved. 15

3. Discuss the importance of strategic changes for the following organisational systems.

- (a) Information, (b) control, (C) Appraisal,
- (d) Motivation, (e) Development, (f) Planning.

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OR

Make a chart which clearly shows the role that organisational systems play in strategic evaluation. Provide examples to highlight the role of each organisational system.

Section C (50 Marks)

4. How can you explain the success of businesses that do not use a formal strategic planning process?

OR

What are diversification strategies? Under what circumstances an organisation needs to adopt this strategy? 12.5

5. What is an ETOP study? How does it differ from SAP?

OR

Explain and discuss Porter's value chain concepts. How does it help an organisation in taking outsourcing decisions? 12.5

6. How does formulation affect the implementation of strategies? https://www.validcollege.com

OR

What are the major contents of a project feasibility report. 12.5

7. Explain SWOT analysis with suitable examples.

OR

Explain two dimensions used to build a GE nine-cell matrix. 12.5

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