PVP 17

Code: **17BA3T1**

II MBA - I Semester – Regular/Supplementary Examinations
March - 2021

STRATEGIC MANAGEMENT

Duration: 3 hours Max. Marks: 60

SECTION – A

1. Answer the following **5 x 2 = 10 M**

a) Objectives of strategic management.
b) What is BCG matrix.
c) What is core competency.
d) Strategies for globalizing market.
e) Strategic audit.

SECTION – B

Answer the following: **5 x 8 = 40 M**

2. a) Define Strategic Management. Explain the process of Strategic Management.

(OR)

b) Define vision and mission. What are the essential characteristics of a mission statement.

3. a) Define strategy formulation. Explain the importance of strategies and competitive advantages in diversified companies.

(OR)

b) Discuss about porter’s five force model.

4. a) Discuss various exit and entry barriers of a firm. State the current scenario.

(OR)

b) Explain mergers and acquisitions with an example.

5. a) Critically evaluate the role of leadership in determining strategic directions to a firm.

(OR)

b) What is the role of values in strategy implementation?

6. a) Examine the role of strategies in establishing strategic controls.

(OR)

b) How is the performance of a strategy evaluated. State the problems encountered in measuring performance.

SECTION – C

7. Case Study **1 x 10 = 10 M**

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 Rs5 crore and their last year turnover was Rs 15 crore, just adequate enough to break-even. 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 implies the following.

i. Transfer of the manufacturing line from the competitor to Meters Limited.
ii. Manufacture of mechanical instrument 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 utilisation of its installed capacity and appropriate financial compensation for the manufacturing effort. The product manager of Meters Limited has welcomed the proposal and point 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.

Questions:

a) What is stability strategy? Should Meters Limited adopt it?
b) What is expansion strategy? What is the implication for Meters Limited in case it is adopted?
c) What is disinvestment strategy? Do you see it being practiced in the given case?
d) What is your suggestion to the chief executive?