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14MBA25

**Second Semester MBA Degree Examination, June/July 2016**  
**Strategic Management**

Time: 3 hrs.

Max. Marks:100

**SECTION - A**

*Note : Answer any FOUR questions from Q.No.1 to Q.No.7.*

- 1 What do you understand by strategic Management? And bring out its distinguishing characteristics. (03 Marks)
- 2 What are the various levels at which a strategy may exist in an organization? (03 Marks)
- 3 Explain the difference between strategy and tactics. (03 Marks)
- 4 Define Vision and Mission. (03 Marks)
- 5 What is the importance of an internal analysis of a firm? (03 Marks)
- 6 What is SWOT Analysis? What is its importance? (03 Marks)
- 7 What is related and unrelated diversification? (03 Marks)

**SECTION - B**

*Note : Answer any FOUR questions from Q.No.1 to Q.No.7.*

- 1 Describe the relationship between a company's strategy and its Business model. (07 Marks)
- 2 Explain Balance Scorecard and its various perspectives. (07 Marks)
- 3 Discuss the strategically relevant components of a company's external environment. (07 Marks)
- 4 Explain various Generic competitive strategies of a business. (07 Marks)
- 5 Explain BCG matrix and its importance. (07 Marks)
- 6 How do you think ethics and corporate social responsibility play an important role in business? (07 Marks)
- 7 What are the various challenges in strategy implementation? (07 Marks)

**SECTION - C**

*Note : Answer any FOUR questions from Q.No.1 to Q.No.7.*

- 1 Explain the strategic management process. (10 Marks)
- 2 What is strategic Intent? Explain the hierarchy of strategic intent. (10 Marks)
- 3 Write in detail the Porter's five forces model of competitive environment analysis. (10 Marks)

Important Note : 1. On completing your answers, compulsorily draw diagonal cross lines on the remaining blank pages.  
2. Any revealing of identification, appeal to evaluator and /or equations written eg, 42+8 = 50, will be treated as malpractice.

- 4 What are the various International Business level strategies? Explain them with examples. (10 Marks)
- 5 Explain the GE – 9 cell matrix. How it can be used in practice? (10 Marks)
- 6 Draw a relationship between strategy, Leadership and culture to institutionalize the strategy. (10 Marks)
- 7 What is strategic control? What are the different types of strategic control? (10 Marks)

**SECTION - D**  
**CASE STUDY – [ Compulsory ]**

Earlier in 1957, in order to popularize Khadi among the masses, the government set up the Khadi and village Industries Commission (KVIC) with the broad objective of providing employment at the village level, the economic objectives of producing saleable articles and the wider objectives of creating self – reliance amongst the poor and developing a strong rural community spirit, KVIC promoted Khadi and associated articles through exclusive outlets called Khadi bhandars. Ever since, then, government has continued to support to Khadi. However, over the years, problems have steadily mounted. According to designers production of Khadi was inconsistent and the cloth was prone to shrinkage and fabric stretch. Fabric colours were also limited. Red tapism and bureaucracy were prevalent throughout KVIC. Corruption was rampant, as there were many middlemen. In addition, there were many bogus Khadi units operating in the country, which made verification of rebates to be paid an extremely time consuming process.

The production of Khadi is a labour intensive process. To support khadi, KVIC also encouraged village production of toilet soaps and detergents, honey, handmade paper etc., But still public interest was declining.

In order to revive Khadi, several initiatives were taken by government as well private individuals, KVIC organized fashion shows. In 1990, Ritukumar presented her first Khadi collection, Rohit Bal also promoted fashion in Khadi. On the organization front, the government took steps to restructure the Khadi industry. The global consulting firms, Arthur Anderson, were called to make recommendations. They suggested that KVIC be converted into a policy making body and that an independent marketing body to be formed to handle sales, distribution and promotion. KVIC also registered Khadi as a brand name.

Technological innovations, such as blending of Khadi with tencel in a 70:30 ratio, were introduced. An Austrian company also proposed to modify and blend the fabric to about 50% more moisture.

The government has also allocated a large advertising and promotional budget to KVIC. It proposed to set up Khadi shops in all international airports. However, Khadi like any other craft of India would need to face the challenges of quality and producing contemporary designs, that would appeal to the taste of present generation.

**Questions :**

- a. Analyze the environmental factors affecting the Khadi Industry. (07 Marks)
- b. What strategies would you recommend for the revival of Khadi? Justify your recommendations by giving three reasons why do you think it will succeed. (07 Marks)
- c. What are the implementation factors that you feel are critical to the success of Khadi in future? (06 Marks)

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