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Third Semester MBA Degree Examination, June/July 2011

Strategic Management

Time: 3 hrs.

Max. Marks:100

Note:1. Answer any FOUR full questions from Q.no 1 to 7.

2. Question No. 8 is compulsory.

- 1 a. What do you understand by strategy in business? (03 Marks)
- b. Explain the five steps involved in strategic planning process. (07 Marks)
- c. Discuss the four levels of strategic management with example. (10 Marks)
- 2 a. What is balance score card? (03 Marks)
- b. What are the components of an effective business? (07 Marks)
- c. Explain the effective strategic formulation process. (10 Marks)
- 3 a. What are the industry's dominant economic features? (03 Marks)
- b. With the help of five force model, explain why the FMCG industry has historically been a very profitable industry. (07 Marks)
- c. Explain Mekinsey's 7 S's frame work with example. (10 Marks)
- 4 a. What is value chain? (03 Marks)
- b. What is bench marking? Explain different types of bench marking. (07 Marks)
- c. Taking Tata company, explain its resource strength and weakness and external opportunity and threat. (10 Marks)
- 5 a. What are the merits of joint venture? (03 Marks)
- b. Explain the distinct competitive strategy approach with example. (07 Marks)
- c. Explain nine major cost drives in strategic management. (10 Marks)
- 6 a. According to Mr. Henry Mintzberg, there are three basic approaches to grand strategy, which are those? Explain them? (03 Marks)
- b. What do you mean by sustainable growth strategy? Give the reason that supports sustainable growth strategy. (07 Marks)
- c. Explain GE's 9 Cell Planning model? (10 Marks)
- 7 a. What do you understand by zero based budgets? (03 Marks)
- b. What is strategic control? Explain the different types of strategic control? (07 Marks)
- c. Explain the Mechanism for designing organizational structure. (10 Marks)

8 Case Study:

Pepsi Co management team was dedicated to capturing strategic benefit within the business lineup throughout the value chain. The company marketed research information to better enable each divination to develop new products likely to be hits with consumers, consolidated its purchasing to reduce costs, and manufactured similar products in common facilities whenever possible. The company had also consolidated sales and marketing function of similar products to eliminate duplication of effort and to present one face to customers.

The effort to achieve synergies under taken upon the acquisition of Quaker Oali had delivered an estimation of Rs. 160 crore in cost saving by 2005 through the combined corporate-wide procurement of product ingredients and packing materials. Also, this combination of Gabrade and Tropicana fill operation had saved an estimated Rs 120 crores annually by 2005. The joint distribution of Quaker snacks P and Frito Frito-lay product had reduced distribution expenses by an estimated Rs 40 crore by 2005.

Question :

- a. A value chain is a set of inter linked value creating activities performed by the organization. Explain what are the activities that might have used by Pepsi Co used to reduce the costs.
- b. Explain 3 steps involved in analyzing value chain of Pepsi Co.
- c. Do you think that acquisition of Quaker Oali really a good strategy? If yes why? If no why?
- d. Overall in your view what value chain alignment between Pepsi CO Brand and Product have been made? (20 Marks)

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