DELHI SCHOOL OF BUSINESS
By Vivekananda Institute of Professional Studies - TC

Delhi School of Business

PGDM Program
END TERM EXAMINATION
TERM – 3/4 (Batch: 2023-25)

Course Name	STRATEGIC MANAGEMENT	Course Code	
Duration	180 MINUTES	Max. Marks	60

Instructions:

1. Please read the question paper carefully
2. You have to answer three questions out of the SIX in Section A
3. Section B is compulsory.

Section A - 30 marks

Q1. Construct the five generic strategy models of Porter and explain the same? (CO 1&2) (10 Marks)

OR

Q2. Answer all parts of the question (CO 1&2) (3+4+3)

1. Construct a flow diagram of converting a Weakness into a Competitive Advantage
2. Explain the Resource Based View of Strategic Planning
3. What are the three perspectives to Finance as a function from the point of view of Strategy?

Q3. State the three stages in the formulation of Strategy? State the Matrices in each of these stages (CO 1&2) (4+6)

OR

Q4. Enumerate and explain the steps in constructing a BCG Matrix (CO 1&2) (10 marks)

Q5. State the three models for viewing business strategy? Attempt a classification of Business and related HR Strategy from the Competitive positioning of an organization as explained by Miles and Snow? (CO 1&2) (3+7)

OR

Q6 State the three models for viewing business strategy? State Porter's classification of the types of business strategy. Take any one of the strategies state its characteristics and its related HR Strategy? (CO 1&2) (3+2+5)

SECTION B - 30 MARKS

Q7. Following are the numbers for an organization on a scale of 1-10 (low to high) and its SBU's key numbers and that of its competitor. Attempt to construct either a SPACE Matrix for Company 1? Marks 10(CO 3&4)

OR a GE McKinsey Matrix for its SBU's of Company 1.

	Factors	Company 1	SBU 1 (of Co 1)	SBU 2 (of Co 1)	Company 2
FP	ROI	7	9	5	5
FD	Leverage	5	5	5	5
F	Liquidity	6	8	4	6
	Working Capital	8	9	7	7
	Cash flow	4	6	2	5
SP	Ease of exit	9	8	10	9
	Risk in business	7	7	7	8
	Market Share	7	8	6	6
	Product Quality	6	8	4	6
	Product Life	3	3	3	4
	Customer Loyalty	7	9	5	6
	Capacity used by competitor	3	-	-	8
	Technical Knowhow	6	6	6	5
	Control of Suppliers and distributors	8	9	7	5
	Technological Changes	7	8	6	7
SP	Rate of Inflation	5	5	5	5
	Demand Variability	6	6	6	6
	Price Elasticity of demand	5	6	6	6
	Growth Potential	7	9	5	7
	Profit Potential	6	6	6	6
	Financial Stability	7	7	7	6
	Resource Utilization	7	8	6	6
IP	Capital Intensity	8	9	7	7
	Ease of Entry into market	7	5	9	6
	Productivity	7	8	6	6
	Capacity Utilization	6	8	4	3

Q 8. Following are situations in different companies. State the strategies being followed by each Marks 10(2x5) (CO 1, 2&3)

1. **An FMCG company like Britannia builds up its distribution network, including regional warehouses, to directly sell to the retailers without going via wholesalers.**
2. **A manufacturing company of ski equipment opens its outlets in various ski resorts to offer customers a brand experience to improve their brand image and recognition, along with direct contact with the customers.**
3. **Myntra, an e-commerce company starts its own logistics service- Myntra Logistics, to reduce costs, improve turnover time, and reach its customers timely.**

4. Suppose there is a Car Company, XYZ, which gets a lot of raw materials like iron and steel for making cars, rubber for seats, pistons, engines, etc., from various suppliers. If this car Company merges/ acquires the supplier of iron and steel, it will be called ....

5. Apple was the first company to reach a trillion-dollar evaluation, showcasing its dominance in the electronics industry. Apple has controlled the manufacturing and distribution of its products from the time it was founded. Apple not only sells computers, iPhones and iPads, but it also designs the software that powers these products. Rather than outsourcing its software development, Apple relies on its own designers to invent software that is perfectly compatible with the company's brand. The challenge with the Apple model, however, is that hardware manufacturing and software development require a different set of skills. Hiring employees that aren't highly skilled and inventive can create problems, something that isn't an issue with Apple.

Q9. A firm intends to raise capital of Rs 100 mill. The operating terms of the business are given below.

Input Information	Amount	How known
Amount of Capital Needed	100 million	Estimated $ cost of recommendations.
EBIT Range	Rs 20-40 mill	Estimated based on past and future
Interest Rate	5 per cent	Estimate based on cost of capital.
Tax Rate	30%	Prevalent rate
Share Price	Rs 50	Last known quote in share market
Shares Outstanding	500 mills	Based on company information

X

Determine the best mode for this company to raise its capital and why. (CO3&4) (10 marks)

= 69

P =-5.5