Delhi School of Business PGDM Program END TERM EXAMINATION ACADEMIC YEAR 24-25 TERM – 3 (Batch: 2024-26)

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 FOUR QUESTIONS IN SECTION A OF WHICH OUESTION 1 IS COMPULSORY.
- 3. ALL QUESTIONS IN SECTION B ARE COMPULSORY

Section A - 31 marks

- Q1. Answer the following questions? (10 Marks 1x10 CO 1&2.
- 1. State the three stages in Strategic Management.
- 2. State three tools used in Strategic Analysis
- 3. Draw the Ansoff Product /Market Matrix
- 4. Draw the BCG Matrix
- 5. What are four factors measured in the SPACE Matrix?
- 6. State any three components of a Mission Statement
- 7. State the two matrices used for assessing the external competitiveness of an organization.
- 8. What does the term VRIO stand for.
- 9. Mention the four categories into which strategy types can be classified.
- 10. Mention three types of "Intensive Strategies".
- Q2. Construct the five generic strategy models of Porter and explain the same? (CO 1&2) (7 Marks)
- Q3 Answer all parts of the question (CO 1&2) (2+3+2)
 - 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?

- Q4. Enumerate and explain the steps in constructing a BCG Matrix (CO 1&2) (7 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) (7marks)

SECTION B - 29 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.
- 1. Attempt to construct a SPACE Matrix for Company 1? Marks 10(CO 3&4)

OR

2. 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
ROI	7	9	5	5
Leverage	5	5	5	5
Liquidity	6	8	4	6
Working Capital	8	9	7	7
Cash flow	4	6	2	5
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
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

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

Resource	7	8	6	6
Utilization				,
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 500 mill. The operating terms of the business are given below.

Input Information	Amount	How known
Amount of Capital Needed	500 million	Estimated cost of recommendations.
EBIT Range	Rs 20-40 mill	Estimated based on past and future

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

Interest Rate	10 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	800 mills	Based on company information

Determine the best mode for this company to raise its capital and why. (CO3&4) (9 marks)