

Internal Assessment Test - I

Sub: **Strategic Management**

Code: 20MBA25

Date: **03/08/2022**

Duration: 90 mins

Max Marks: 50

Sem: II

Branch: MBA

OBE

Marks CO RBT

Part A -Answer Any Two Full Questions (20*02=40 Marks)				
1 (a)	What is Vision? How it is important to Organizations?	[03]	CO1	L1
Ans	A vision statement identifies where the organization wants or intends to be in future or where it should be to best meet the needs of the stakeholders. It describes dreams and aspirations for future. For instance, Microsoft’s vision is to empower people through great software, any time, any place, or any device. Wal-Mart’s vision is to become worldwide leader in retailing. A vision is the potential to view things ahead of themselves. It answers the question —where we want to be. It gives us a reminder about what we attempt to develop. A vision statement is for the organization and its members, unlike the mission statement which is for the customers/clients. It contributes in effective decision making as well as effective business planning.			
(b)	Explain the nature of Strategic management.	[07]	CO1	L2
Ans	Strategic management has now evolved to the point that its primary value is to help the organization operate successfully in dynamic, complex global environment. Corporations have to become less bureaucratic and more flexible. In stable environments such as those that have existed in the past, a competitive strategy simply involved defining a competitive position and then defending it. Because it takes less and less time for one product or technology to replace another, companies are finding that there are no such thing as enduring competitive advantage and there is need to develop such advantage is more than necessary. Corporations must develop strategic flexibility: the ability to shift from one dominant strategy to another. Strategic flexibility demands a long term commitment to the development and nurturing of critical resources. It also demands that the company become a learning organization: an organization skilled at creating, acquiring, and transferring knowledge and at modifying its behaviour to reflect new knowledge and insights. Learning organizations avoid stability through continuous self-examinations and experimentations.			
(c)	Explain difference between business policy & strategic management.	[10]	CO1	L2

Comparison Chart

BASIS FOR COMPARISON	STRATEGY	POLICY
Meaning	Strategy is a comprehensive plan, made to accomplish the organizational goals.	Policy is the guiding principle that helps the organization to take logical decisions.
What is it?	Action plan	Action principle
Nature	Flexible	Fixed, but they allow exceptional situations
Related to	Organizational moves and decisions for the situations which have not been encountered previously.	Organizational rules for the activities which are repetitive in nature.
Orientation	Action	Thought and Decision
Formulation	Top Level Management and Middle Level Management	Top Level Management
Approach	Extroverted	Introverted
Describes	Methodology used to achieve the target.	What should be done and what should not be done.

2 (a) **What is forecasting?**
 Forecasting lets a business look at past trends plus their current position and predict a future. You can use business forecast tools to help predict sales, budgets, and more. Having an accurate picture of your business's potential using data and market trends can help you set and meet objectives.

[03] CO2 L1

(b) **Discuss the Procedure of External Environment analysis.**
 External analysis, also called environmental analysis, is the process by which businesses objectively assess the changes in their industry and the broader world that could affect their current business operations. Companies do this to ensure they can adapt to changes and continue to succeed within an industry.

[07] CO2 L2

Elements of an external analysis

Businesses should complete individual analyses of the following elements to conduct an external analysis successfully:

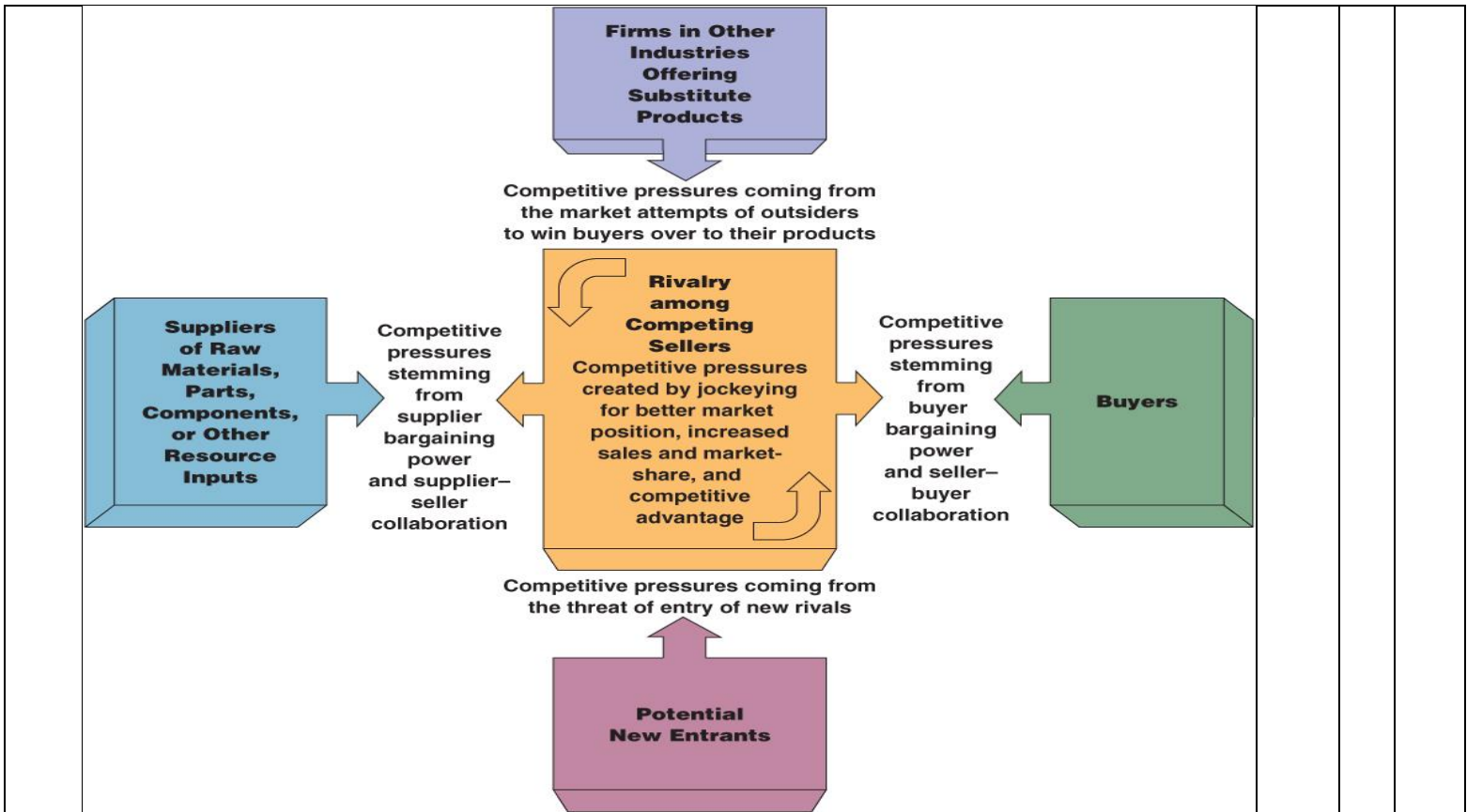
- Supply chain
- Industry
- Economic trends
- Competitors
- Market demographics
- PEST analysis

<p>(c)</p>	<p>Discuss the strategically relevant components of company external environment.</p> <p>Businesses should complete individual analyses of the following elements to conduct an external analysis successfully:</p> <ul style="list-style-type: none"> • Supply chain • Industry • Economic trends • Competitors • Market demographics • PEST analysis 	<p>[10]</p>	<p>CO2</p>	<p>L2</p>												
<p>3 (a)</p>	<p>What is meant by Key success factors?</p> <p>table 3.3 Common Types of Industry Key Success Factors (KSFs)</p> <table border="1" data-bbox="144 810 1341 1675"> <tr> <td data-bbox="144 810 418 919"> <p>Technology-related KSFs</p> </td> <td data-bbox="418 810 1341 919"> <ul style="list-style-type: none"> • Expertise in a particular technology or in scientific research (important in pharmaceuticals, Internet applications, mobile communications, and most high-tech industries) • Proven ability to improve production processes (important in industries where advancing technology opens the way for higher manufacturing efficiency and lower production costs) </td> </tr> <tr> <td data-bbox="144 919 418 1094"> <p>Manufacturing-related KSFs</p> </td> <td data-bbox="418 919 1341 1094"> <ul style="list-style-type: none"> • Ability to achieve scale economies and/or capture learning-curve effects (important to achieving low production costs) • Quality control know-how (important in 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product selection • A well-known and well-respected brand name • Fast, accurate technical assistance • Courteous, personalized customer service • Accurate filling of buyer orders (few back orders or mistakes) • Customer guarantees and warranties (important in mail-order and online retailing, big-ticket purchases, new product introductions) • Clever advertising </td> </tr> <tr> <td data-bbox="144 1339 418 1528"> <p>Skills and capability-related KSFs</p> </td> <td data-bbox="418 1339 1341 1528"> <ul style="list-style-type: none"> • A talented workforce (superior talent is important in professional services like accounting and investment banking) • National or global distribution capabilities • Product innovation capabilities (important in industries where rivals are racing to be first to market with new product attributes or performance features) • Design expertise (important in fashion and apparel industries) • Short-delivery-time capability • Supply chain management capabilities • Strong e-commerce capabilities—a user-friendly Web site and/or skills in using Internet technology applications to streamline internal operations </td> </tr> <tr> <td data-bbox="144 1528 418 1675"> <p>Other types of KSFs</p> </td> <td data-bbox="418 1528 1341 1675"> <ul style="list-style-type: none"> • Overall low costs (not just in manufacturing) so as to be able to meet low-price expectations of customers • Convenient locations (important in many retailing businesses) • Ability to provide fast, convenient after-the-sale repairs and service • A strong balance sheet and access to financial capital (important in newly emerging industries with high degrees of business risk and in capital-intensive industries) • Patent protection </td> </tr> </table>	<p>Technology-related KSFs</p>	<ul style="list-style-type: none"> • Expertise in a particular technology or in scientific research (important in pharmaceuticals, Internet applications, mobile communications, and most high-tech industries) • 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<p>(b)</p>	<p>State the factors driving industry change & its impact.</p>	<p>[07]</p>	<p>CO2</p>	<p>L2</p>												

table 3.2 **The Most Common Driving Forces**

1. Growing use of the Internet and emerging new Internet technology applications.
2. Increasing globalization of the industry.
3. Changes in the long-term industry growth rate.
4. Changes in who buys the product and how they use it.
5. Product innovation.
6. Technological change and manufacturing process innovation.
7. Marketing innovation.
8. Entry or exit of major firms.
9. Diffusion of technical know-how across more companies and more countries.
10. Changes in cost and efficiency.
11. Growing buyer preferences for differentiated products instead of standardized commodity products (or for a more standardized product instead of strongly differentiated products).
12. Reductions in uncertainty and business risk.
13. Regulatory influences and government policy changes.
14. Changing societal concerns, attitudes, and lifestyles.

(c)	Explain in details about Porters Five forces model.	[10]	CO2	L2
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Part B - Compulsory (01*10=10marks)

4.	<p>TATA NANO Tata motors have been eyeing the Indian passenger market for a long time. During earlier times, their brands such as Tata Sumo were well received; the company had a very low share in the Indian passenger car market due to stiff competition from Maruti . Tata motors came up with Tata Indica , which mirrored Maruti’s products and challenged Maruti’s dominance in small car market . Inspired by the success of Indica Tata launched the Tata Nano . Critics were of the view it could not be possible due to the low cost of the car. Tata Nano’s modular design is one of the most innovative aspects, it can be shipped separately and assembled in any region. 3 However the fanfare with which Nano was launched did not show much result, the car was not well accepted by the masses despite the low prices, it started selling in discounts like any other car in the Indian market. Tata’s as a company are concerned about the same and are still trying to rework out strategies for revival of the market share and to fit into the vision of the com pany.</p> <p>(a) What was the type of strategy Tata’s adopted during the launch of Nano?</p> <p>(b) By using a SWOT analysis outline the failure of the car in the Indian markets.</p> <p>Students are expected to apply the concept of SWOT analysis in the case study solution.</p>	[10] (5) (5)	CO1	L3
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Course Outcomes		Blooms Level	PO1	PO2	PO3	PO4	PO5
CO1	Understand the fundamental concepts and principles, theories of Organizational Leadership	L1	1a,1b,1c,4	0	0	0	0

CO2	Analyze the organizational leadership style, approaches and traits, its impact on the followers by using leadership theories and instruments.	L2	2a,2b,2c,3a,3b,3c	0	0	0	0
CO3	Developing better insight in understanding the leadership traits that influence them to work effectively in group	L2	0	0	0	0	0
CO4	Demonstrate their ability to apply of their knowledge in organizational leadership.	L3	0	0	0	0	0

Cognitive level	KEYWORDS
L1	list, define, tell, describe, recite, recall, identify, show, label, tabulate, quote, name, who, when, where, etc.
L2	describe, explain, paraphrase, restate, associate, contrast, summarize, differentiate interpret, discuss
L3	calculate, predict, apply, solve, illustrate, use, demonstrate, determine, model, experiment, show, examine, modify
L4	classify, outline, break down, categorize, analyze, diagram, illustrate, infer, select
L5	grade, test, measure, defend, recommend, convince, select, judge, support, conclude, argue, justify, compare, summarize, evaluate
L6	design, formulate, build, invent, create, compose, generate, derive, modify, develop, integrate

PO1–Theoretical Knowledge; PO2–Effective Communication Skills; PO3–Leadership Qualities; PO4 –Sustained Research Orientation; PO5 –Self-Sustaining Entrepreneurship

CI

CCI

HOD