

<b>Name:</b>	
<b>Enrolment No:</b>	

UNIVERSITY OF PETROLEUM AND ENERGY STUDIES End-Semester Examination, <b>December 2020</b>	
Programme : : MBA LSCM Course: <b>Strategic Management</b> Time: 03 Hours Instructions: Attempt all sections and questions	Semester: III Course Code: <b>STGM8001</b> Max. Marks : 100

<b>SECTION A</b>
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Q.1	Multiple choice questions : Make correct choice with explanation	Marks	CO
.	<p><b>i. The basic premise of unrelated diversification is that</b></p> <p>a. The least risky way to diversify is to seek out businesses that are leaders in their respective industry</p> <p>b. The best companies to acquire are those that offer the greatest economies of scope rather than the greatest economies of scale</p> <p>c. The best way to build shareholder value is to acquire businesses with strong cross-business financial fit</p> <p>d. Any company that can be acquired on good financial terms and that has satisfactory growth and earnings potential represents a good acquisition and a good business opportunity</p> <p><b>ii. Which of the following statements about cross-business strategic fit in a diversified enterprise is not accurate?</b></p> <p>a. Strategic fit between two businesses exists when the management know-how accumulated in one business is transferable to the other</p> <p>b. Strategic fit exists when two businesses present opportunities to economize on marketing, selling and distribution costs</p> <p>c. Competitively valuable cross-business strategic fits are what enable related diversification to produce a 1 + 1 = 3 performance outcome</p> <p>d. Strategic fit is primarily a byproduct of unrelated diversification and exists when the value chain activities of unrelated businesses possess economies of scope and good financial fit</p> <p><b>iii. A major department store chain has a strict policy of banning photographs of its sales floor or back room operations. It also does not allow academics to include it in research studies for publication in research journals. In fact, some of its own top managers refer to the store policies on secrecy as "verging on paranoid." These policies indicate that the top management of the firm believes the organization's core competencies are:</b></p> <p>a. causally ambiguous.</p> <p>b. unobservable.</p> <p>c. imitable.</p> <p>d. valuable.</p>	5X6=30	CO1

	<p><b>iv. To create value for shareholders via diversification, a company must</b></p> <p>A. Get into new businesses that are profitable  B. Diversify into industries that are growing rapidly  C. Spread its business risk across various industries by only acquiring firms that are strong competitors in their respective industries  D. Diversify into businesses that can perform better under a single corporate umbrella than they could perform operating as independent, stand-alone businesses</p> <p><b>v. Assuming a company elects to use the Internet as its exclusive channel for accessing buyers, then which of the following is not one of the strategic issues that it will need to address?</b></p> <p>a. Whether to pursue a competitive advantage based on low-costs, differentiation or more value for the money  b. How to deliver unique value to buyers  c. How to draw traffic to its Web site and then convert page views into revenues  d. Whether to employ a forward integration strategy</p> <p><b>vi. Retrenchment is:</b></p> <p>a. When a company experiences declining profits and makes cutbacks to improve efficiency  b. When a company adopts a new strategic position for a product or service  c. The sale of the complete business, either as a single going concern or piecemeal to different buyers or sometimes by auctioning the assets  d. Likely to take place when an organization lacks a key success factor for a particular market</p>		
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**SECTION B**

	<b>Write short answers</b>	Marks 10X5= 50	CO
Q2	What do you mean by cognitive barriers in strategic decision making. Explain and enumerate its various forms with suitable examples	10	C02
Q3	What do you understand by the term “national treatment and First use in Patent regime”. Also explain various forms of patents with suitable examples	10	C02
Q4	Comment on suitability of mode of international growth of strategies like BOT, Turnkey, Green Field and Brown Field projects for supply chain companies. Explain with relevant examples.	10	C03
Q5	Explain the test of valuability of as resource for Logistics and Supply chain companies while explaining VRIO/VRIN framework	10	C03
Q6	Identify the key elements/ activities of Business Model of logistics company and correlate it with basket of strategies	10	C03

**Section-C**

**Case/ application based questions**

	<p>Bombardier Inc. is a Canadian multinational aerospace and transportation company. Bombardier was founded by Joseph-Armand Bombardier as “Bombardier Snow Car Limited” in Quebec, Canada in 1942. Starting as a maker of snow machines or snowmobiles, over the years the company has grown into a large manufacturer of regional airliners, business jets, mass transportation equipment, and recreational equipment. Bombardier’s aircraft division “Bombardier Aerospace” focuses on regional and business jets. Lately, Bombardier’s C-series aircraft, its largest jet, has a number of problems including cost overruns, delays, and mechanical issues. Investors are losing confidence in the company, as its stock price has declined almost 70% within the past year, and as its credit ratings have fallen. A large number of orders of the C-series that are scheduled to be fulfilled in the next 3 years, are at risk of cancellations and further delays.</p>		CO4
Q7.	<p>As a strategic consultant , conduct VRIN analysis to comment on potential of the company</p>	10	CO4
Q8.	<p>Use SPACE Matrix (assume unavailable factors ) and Paired comparison method to advise Bombardier for considering and to do change in the direction of the company, and increase investor confidence?</p>	10	CO4