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**PRESIDENCY UNIVERSITY  
BENGALURU**

**SCHOOL OF MANAGEMENT**

**TEST 1**

**Winter Semester:** 2021 - 22

**Course Code:** MGT 162

**Course Name:** Strategic Management

**Program & Sem:** BBA -Digital Marketing/HR/ SCM/ Fin & VI

**Date:** 25.04.2022

**Time:** 3.00pm – 4.00pm

**Max Marks:** 30

**Weightage:** 15 %

**Instructions:**

(i) Read the all questions carefully and answer accordingly.

**Part A [Memory Recall Questions]**

**Answer all the Questions. Each question carries One marks. (10Qx 1M= 10M)**

- Identify the term \_\_\_\_\_ is defined as an art and science of formulating, implementing, and evaluating cross-functional decisions that enable an organization to achieve its objectives.  
a. Organization behavior b. Human resource management c. Strategic management d. Marketing management [1M] (C.O.No.1) [KNOWLEDGE]
- Define the vision. How is it different from purpose? [1M] (C.O.No.1) [KNOWLEDGE]
- Recognize the word \_\_\_\_\_ reason for the organization's existence.  
a. Vision b. Purpose c. Values d. Mission [1M] (C.O.No.1) [KNOWLEDGE]
- Label the term \_\_\_\_\_ refer to the ultimate end results which are to be accomplished by the plan over a specified period of time in the firms. [1M] (C.O.No.1) [KNOWLEDGE]  
a. Envision b. Mission c. Objectives d. Core values
- Match the following of the company strategy at various level [1M] (C.O.No.1) [KNOWLEDGE]  
a. Corporate level 1. Individual department  
b. Functional level 2. Multiple business  
c. Business level 3. Diversification
- List the importance of industries in India. [1M] (C.O.No.2) [KNOWLEDGE]
- Label the term refers to the group of companies offering products or services that are close substitutes for each other \_\_\_\_\_. [1M] (C.O.No.2) [KNOWLEDGE]

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a. Sector      b. Segment      c. Industry      d. None

8. Identify the answer for Porter's value chain is a tool [1M] (C.O.No.2) [KNOWLEDGE]
- a. diagnosing and enhancing sources of competitive advantage within the firms
  - b. Identifying the competitive forces within industry
  - c. Calculating what a firm is worth
  - d. advising firms how to price their products
9. List the factors for Porter's Five Force Model of Amazon [1M] (C.O.No.2) [KNOWLEDGE]
10. Match the following. [1M] (C.O.No.2) [KNOWLEDGE]
- a. Competitors      1. Prices
  - b. Buyers      2. Substitutes
  - c. Complementors      3. Economies of scale

### **Part B [Thought Provoking Questions]**

**Answer all the Questions. Each question carries Five marks. (2Qx5M=10M)**

11. Discuss the Strategy making process with a suitable illustration. [5M] (C.O.No.1) [COMPREHENSION]
12. Explain the Porters Five Force model of Walmart to achieve competitive advantage and business optimization. [5M] (C.O.No.2) [COMPREHENSION]

### **Part C [Problem Solving Questions]**

**Answer all the Questions. Each question carries Ten marks. (10Qx1M=10M)**

13. Walmart planned its digital strategy by setting up a strong team at Walmart Labs, acquiring brands with strong digital presence. Further firm focuses on the various initiatives taken to integrate online and offline operations that helped establish Walmart as a viable alternative to Amazon. Some of the initiatives were Mobile Express Returns, Buy-Online-Pickup-In-Store, Walmart Fulfilment Service, and Walmart+ Subscription Service. Subsequently Walmart partnered with platforms like Shopify, streamlined product assortments, used stores as warehouses and invested in automation. This helped the retailer experience a 207% growth in its e-commerce buyer base between early 2017 to 2020. During the pandemic, sales are started declining in the global market. In this context, prepare a strategic plan that ensures to increase sales, innovation, and achieves competitive advantage [10M] (C.O.No. 1) [APPLICATION]



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**PRESIDENCY UNIVERSITY  
BENGALURU  
SCHOOL OF MANAGEMENT**

**TEST 1**

**Winter Semester:** 2021 - 22

**Course Code:** MGT162

**Course Name:** STRATEGIC MANAGEMENT

**Program & Sem:** BBA & III SEM

**Date:** 25<sup>th</sup> April 2022

**Time:** 03.00 PM to 04.00 PM

**Max Marks:** 30

**Weightage:** 15 %

Instructions:

(i) *Read all questions carefully and answer accordingly.*

**Part A [Memory Recall Questions]**

**Answer all the Questions. Each question carries ONE marks.**

**(10Qx 1M= 10M)**

1 The word 'strategos' which is derived from the term strategy means

- a. Leadership      b. Management      c. Generalship      d. Entrepreneurship.

[1M] (C.O.No.1) [KNOWLEDGE]

2 Which one of the following is not included as one of the feature of Strategic Management?

- a. Multidimensional      b. Reactive      c. Dynamic      d. Stagnant

[1M] (C.O.No.1) [KNOWLEDGE]

3 Who is the father of strategic management?

- a. Chandler      b. Michael Porter      c. Igor Ansoff      d. Marshall

[1M] (C.O.No.1) [KNOWLEDGE]

4 What does SWOT stand for ?

- a. Strength, Work, Opportunities and Threats      b. Strength, Weakness, Opportunities and Threats  
c. Strength worldwide overcome threats.      d. Strong ,Weakness, option, threats.

[1M] (C.O.No.1) [KNOWLEDGE]

5 Which of the following is the ace focus of Strategic Management?

- a. Strategy formulation      b. Strategic analysis      c. Total Organization      d. Completion

[1M] (C.O.No.1) [KNOWLEDGE]

6 The word strategic Management handles

- a. Internal Issues      b. External Issues.      c. Administrative issues      d. Social Issues

[1M] (C.O.No.1) [KNOWLEDGE]

7 Name the three Organizational level with one example

[1M] (C.O.No.1) [KNOWLEDGE]

8 Name the means by which long term objectives will be achieved?

- a. Policies      b. Opportunities      c. Strategies      d. protocols.

[1M] (C.O.No.1) [KNOWLEDGE]

9. Define Industry with one sentence.

[1M] (C.O.No.1) [KNOWLEDGE]

10. Define Primary sector with one example.

[1M] (C.O.No.1) [KNOWLEDGE]

### **Part B [Thought Provoking Questions]**

**Answer both the Questions. Each question carries FIVE marks.**

**(2Qx5M=10M)**

11. Differentiate between large-scale and small scale Industries with vivid example.

[5M] (C.O.No.1) [COMPREHENSION]

12 Distinguish between Micro and Small Enterprises. How MSME loans can be availed under bank credit facilitation?

[5M] (C.O.No.1) [COMPREHENSION]

### **Part C [Problem Solving Questions]**

**Answer the Question. Question carries TEN marks.**

**(1Qx10M=10M)**

13. ON 15 September 2008 investment bank giant filed for bankruptcy sending shock waves across the world markets that were already reeling from shocks in the wake of global economic melt down. With more book assets and lesser book debts, Lehman's bankruptcy filing was the largest in the banking history their assets far surpassed those of previous bankrupt giants such as World com and Enron, at the time of collapse with more than 25000 employees world wide . Lehman's demise also made it the largest victim of the US subprime mortgage induced financial crisis that swept through global financial markets in the world . Record revenues from Lehman's real estate business enabled revenues in the capital market unit to surge 56% between 2004 to 2006 .This was considered a faster rate of growth than any other business in investment banking . In February 2006 the company's stock reached a record high giving Lehman a market capitalization of around 25 billion, however the US housing market were already becoming apparent as defaults in subprime mortgage . Lehman's high degree of leverage the ratio of total assets to share holder's assets to share holder's equity was good and its huge portfolio of mortgage security made it vulnerable to deteriorating market conditions . In June 2008 Lehman announced its first second quarter loss and raised money from American Express to cover the same. However the measures were perceived as being too little, too late over the summer Lehman's management made unsuccessful attempts to a number of potential partners, hopes of the Korea Development bank would take a stake in Lehman was dashed in 9 September and the state owned Korean bank put talks on hold. On Monday 15 September Lehman declared bankruptcy resulting in creating a global financial crisis.

Questions 1 what were the reasons for Lehman brothers bankruptcy?

2 what lessons would you learn from the Lehman brothers bankruptcy?

[10M] (C.O.No. 1) [APPLICATION]



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**PRESIDENCY UNIVERSITY BENGALURU**  
**SCHOOL OF MANAGEMENT**

**TEST - 2**

**Winter Semester:** 2021 - 22  
**Course Code:** MGT 162  
**Course Name:** Strategic Management  
**Program & Sem:** BBA/BAV & VI Sem

**Date:** 31<sup>st</sup> May 2022  
**Time:** 03.00 PM to 04.00 PM  
**Max Marks:** 30  
**Weightage:** 15 %

**Instructions:**

(i) *Read the all questions carefully and answer accordingly.*

**Part A [Memory Recall Questions]**

**Answer all the Questions. Each question carries ONE marks. (10Qx 1M= 10M)**

1. PESTEL analysis applied to assess \_\_\_\_\_ Environment  
a. Internal b) External C) Both d) None of the above (C.O.2) [KNOWLEDGE]
2. SWOT Stands for \_\_\_\_\_ (C.O.2) [KNOWLEDGE]
3. Internal Environment includes \_\_\_\_\_  
a. Competencies b. Advantages c. Portfolio d. all the above (C.O.2) [KNOWLEDGE]
4. What are the general management capabilities? (C.O.2) [KNOWLEDGE]
5. The "Hard" elements under 7S framework \_\_\_\_\_  
a. Skills b. Style c. Staff d. Strategy (C.O.2) [KNOWLEDGE]
6. Stars in BCG Matrix refers to \_\_\_\_\_  
a. High market growth and High market share b. Low market growth and High market share  
c. High market growth and low market share d. Low market growth and Low market share  
(C.O. 2) [KNOWLEDGE]
7. The corporate strategy which focus on creating a hip and innovative product to implement differentiation in their product and services \_\_\_\_\_  
a) Broad Low-Cost Differentiation b) Broad Differentiation c) Focused Low-Cost Differentiation d) Focused (C.O. 3) [KNOWLEDGE]
8. Write the advantages of first movers strategy. (C.O. 3) [KNOWLEDGE]
9. List two examples for Horizontal Integration (C.O. 3) [KNOWLEDGE]
10. value-chain activities to be performed by independent, specialist companies are called as \_\_\_\_\_  
a) Strategic Outsourcing b) Horizontal Integration c) vertical Integration d) Quasi Integration

**Part B [Thought Provoking Questions]****Answer both the questions. Each question carries FIVE marks.****(2Qx5M=10M)**

11. Naseer wants to invest in the business idea of manufacturing E-Bikes. Before investing he wants to analyze the environment to know its feasibility of idea implementation. You are asked to analyze the external environment by applying the PESTEL Analysis and help Naseer to know the feasibility of the environment. (C.O.2) [COMPREHENSION]

12. Netflix launched video streaming in 2007. It was the first company to enter the marketplace with a new product. Due to the technology advantage, they had proper positions for their product not only as of the first in its field but also as the best option for consumers when competitors inevitably arrive on the market. Identify the strategy adopted by Netflix and Point out the advantages and disadvantages of the strategy. (C.O.3) [COMPREHENSION]

**Part C [Problem Solving Questions]****Answer all the Questions. Each question carries TEN marks.****(10Qx1M=10M)**

13. The AHI Group is a hypothetical diversified firm operating in Australia. Created less than 20 years ago, AHI has clear goals of strong growth and achieving dominance in all the markets that it chooses to compete in. The corporation now has four SBU's, as follows:

1. A chain of fast-food restaurants (General Manager = Clive)
2. A manufacturer of MP3 players (General Manager = Kristi)
3. A 'branding' marketing consulting firm (General Manager = Therese)
4. A bus travel company (General Manager = Jamie)

It is strategic planning time at AHI and each of the General Managers are outlining their resource requirements with the founders. (Note: There is \$250m available to reinvest into the business.) The following are some excerpts from the minutes of the meeting:

**Clive:**

"My fast-food division is the only one that is making any real profits - over \$500m last year. It's clearly obvious that we need to reinvest in this business. Let's expand and grow the profits. As usual, we're facing significant challenges from new competitors, so we really need the investment

**Kristi:**

"That's fine, but you've got limited growth potential. OK, we're not making much money now, but this market is too big to not pursue it properly. So we need the \$250m to help catch up to the leaders, as they've got a big start. That way we can generate potential huge future profits."

**Therese:**

"Kristi, you're too far behind the market leaders of Apple. I don't see the sense in throwing money into something where we will probably end up in a weak position anyway. Whereas our branding marketing consulting business is growing really well. We're consulting throughout the world and are considered to be one of the market leaders with our innovative practices. Sure, we've got lots of infrastructure costs, but this is going to be a future goldmine. We'll make more than the fast-food chain in five years time."

**Jamie:**

"We're in a tough market that's pretty flat at the moment. I know we only make a few million dollars a year, which is a small time for the rest of you. But it's a big market, and we could use the investment to somehow improve our position."

### **QUESTIONS**

1. How would you classify each of AHI's business portfolios using the BCG matrix? (7 Marks)
2. How useful did you find the BCG matrix in helping allocate the \$250m investment? (3 Marks)

**(C.O.2) [APPLICATION]**



**END TERM EXAMINATION**

**Winter Semester:** 2021 - 22  
**Course Code:** MGT 162  
**Course Name:** Strategic Management  
**Program & Sem:** BBA & VI Sem

**Date:** 28<sup>th</sup> June 2022  
**Time:** 01:00 PM to 04:00 PM  
**Max Marks:** 100  
**Weightage:** 50%

**Instructions:**

- (i) *Read the all questions carefully and answer accordingly.*

**Part A [Memory Recall Questions]**

**Answer all the Questions. Each question carries THREE marks.**

**(10Qx3M= 30M)**

1. Mission is What an organization is and why it exists. “to bringing the best user experience to its customers through its innovative hardware, software, and services.” is the Mission statement of Microsoft. The mission tells the purpose or reason of the organization for the organizations existence. If so, Identify the characteristics of the Mission statement. (C.O.No.1) [Knowledge]
2. Sham is having his own supplies for organic manure. The people who want to do organic farming should buy the manure from him only. The people who are interested in organic farming have no alternative but to buy it from him only. According to Porter’s five forces model how sham could be powerful in terms of supplies. Discuss Your points. (C.O.No.2) [Knowledge]
3. Roshan has a business idea. He wants to sell the sapling through an online platform. But he wants to know his capability in all the functional areas. Finance, Operations and general capabilities of his organization are good. So he wants to know the marketing capability. Suggest the factors influence the capabilities of marketing for his business. (C.O.No.2) [Knowledge]
4. Arun Retailers, is a retailing company. His business model, still needs some improvement in terms of internal control. He wants to assess and monitor changes in the internal environment of his organization. Find the 7s Framework hard element for his internal Control. (C.O.No.2) [Knowledge]
5. Tesla’s relationship with Panasonic. when Tesla company bought a significant amount of equity in Panasonic company, their relationship began with a \$30 million investment from Panasonic to accelerate battery technology for electric vehicles and grew to include building a lithium-ion battery plant in Nevada. Find the type of Strategic Alliance made by Tesla and Panasonic and Explain . (C.O.No.3) [Knowledge]



6. In 2007, Netflix launched video streaming through savvy marketing and advertising that positioned it service not only as the first in its field but also as the best option for consumers when competitors inevitably arrive on the market. Find the strategy which was followed by Netflix.  
(C.O.No.3) [Knowledge]

7. Choose the best

- i). \_\_\_\_\_departmentalization is the process of grouping activities by functions performed.
    - a) Functions   b) Product   c) Customer   d) Geographic
  - ii). \_\_\_\_\_is one of the mixed forms of organization Structure
    - a) Matrix   b) Formal   c) Informal   d) all the above
  - iii). Strategic Control include \_\_\_\_\_
    - a) Target setting   b) Monitoring & evaluation   c) Feedback system   d) all the above.
- (C.O.No.4) [Knowledge]

8. True or False

- i). Delegation of authority can be defined as subdivision and sub-allocation of powers to the subordinates in order to achieve effective results.
    - a) True   b) False
  - ii). Span of Control means the number of subordinates that can be managed efficiently and effectively by a superior in an organization.
    - a) True   b) False
  - iii). Budgets act as a planning tool and control tools as well
    - a) True   b) False
- (C.O.No.5) [Knowledge]

9. Match the Following

i). Demographic Segmentation	a) Location
ii). Behavioural Segmentation	b) Age, Marital Status
iii). Geographic Segmentation	c) Habits

(C.O.No.2) [Knowledge]

10. Expand the following

- i). ETOP- E \_\_\_\_\_, T \_\_\_\_\_, O \_\_\_\_\_, P \_\_\_\_\_
- ii) SWOT- S \_\_\_\_\_, W \_\_\_\_\_, O \_\_\_\_\_, T \_\_\_\_\_
- iii) SAP - S \_\_\_\_\_, A \_\_\_\_\_, P \_\_\_\_\_

(C.O.No.2) [Knowledge]

### Part B [Thought Provoking Questions]

Answer all the Questions. Each question carries EIGHT marks.

(5Qx8M=40M)

11. Naseer wants to invest in the business idea of manufacturing E-Bikes. Before investing he wants to analyze the environment to know its feasibility of idea implementation. You are asked to analyze the external environment by applying the PESTEL Analysis and help Naseer to know the feasibility of the environment.  
(C.O.2) [Application]

12. Apple is always focused on functional simplicity, whereas BMW's focus be on vehicle performance. Both brands appealed to a broad spectrum of buyers and would create product versions that have a price point that the masses can somewhat comfortably adopt (Apple's 32GB

product line and BMW's i3 series are lower priced). To be successful in the market strategies the firm should have adequate adaptive advantages that would allow it to continuously innovate or be able to leverage economies of scale (that comes with selling to the masses) to create sustainable differentiation. The attractiveness of the selected differentiation should be enough and the price of the product/service would not deter the masses from purchasing it. Discuss the Strategy followed by both brands. (C.O.3) [Comprehension]

13. Amazon instant entered the marketplace with a new product substantially after their competitors have debuted new products. Amazon chose their timing purposefully to ensure its product is optimized to meet customer needs and can be produced as cheaply as possible to save the company money. Amazon instant is successful in the market. Identify the strategy followed by Amazon Instant and Mention the advantages. (C.O.No.3) [Comprehension]

14. Wal-Mart has a Strategy model, that competitors have difficulty matching. They are in a sense, "appealing to a wide group of customers". Typically, to be successful in the market, the firm needs to be excellent at leveraging economies of scale. Walmart adopted a broad strategy. It does not mean targeting everybody or the masses. It refers to having multiple target markets and being the leader in servicing the specific needs of those market segments. Discuss the Success Strategy of Wal-Mart and its advantages. (C.O.No.2) [Comprehension]

15. Considering the trend in business. Akhil an entrepreneur aspires to achieve his dream through having an idea of GREEN BUSINESS. He finalized the products and services he is going to offer. Financially he is sound and his competitors are fewer in this field. Even the Government Schemes are also helping his business. Moreover, the Geographical Segmentation is based on the nearby rural area. He was appreciated by the investors even because the green business can provide job opportunities for the localities. Prepare the VISION, MISSION, OBJECTIVES, and SWOT analysis for Akhil's Green Business. (C.O.No.1) [Application]

### **Part C [Problem Solving Questions]**

**Answer both the Questions. Each question carries FIFTEEN marks. (2Qx15M=30M)**

16. Bharti Airtel limited being in the forefront in offering 2G and 3G telecom services in India and by enhancing its market share across the country, became the largest mobile phone operator in India by 2009-10. However, with intensifying completion and the resulting decline in Average Revenue Per User(ARPU), the company was looking for opportunities to further consolidate its leadership position. In 2010, Airtel won spectrum for Broadband Wireless Access (BWA) through an auction for four telecom circles, but it could not win in two important circles of Mumbai and Delhi. In 2012, it bought a 49% stake in Wireless Business Services Pvt.Ltd to gain access to wireless broadband spectrum in the two crucial circles in Delhi and Mumbai.

Reliance Industries Limited (RIL), the largest private company in India, had forayed into the Indian Telecom Industry in 2010. On the division of family businesses in 2005, RIL signed a non-Compete agreement with ADAG. As per this fact, RIL could not enter telecommunications. The two parties scraped the agreement in 2010, paving way for RIL to enter the telecommunications industry. RIL bought a 05% stake in Infotel Broadband Services (Infotel), which won spectrum in all circles. RIL remained Infotel ad Reliance Jioinfocomm in January 2013 and in July started work on rolling out 4G services telecom services in eight states of Northeast India by April 2014.

Subsequent to its acquisitions, Airtel became the first company to launch 4G services in India in late 2012 and early 2013. RIL's Reliance JioInfocomm followed hard on the heels of Airtel spicing up the competition between two giants

## Questions

1. Discuss the relevant strategies to be followed by the leader, Airtel, and the Challenger, RIL.
2. Debate if RIL is in a position to nullify the first mover's advantage of Airtel in offering 4G services.  
(C.O.3.) [Comprehension]

17. The AHI Group is a hypothetical diversified firm operating in Australia. Created less than 20 years ago, AHI has clear goals of strong growth and achieving dominance in all the markets that it chooses to compete in. The corporation now has four SBU's, as follows:

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Kristi:

"That's fine, but you've got limited growth potential. OK, we're not making much money now, but this market is too big to not pursue it properly. So we need the \$250m to help catch up to the leaders, as they've got a big start. That way we can generate potential huge future profits."

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"Kristi, you're too far behind the market leaders of Apple. I don't see the sense in throwing money into something where we will probably end up in a weak position anyway. Whereas our branding marketing consulting business is growing really well. We're consulting throughout the world and are considered to be one of the market leaders with our innovative practices. Sure, we've got lots of infrastructure costs, but this is going to be a future goldmine. We'll make more than the fast-food chain in five years time."

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"We're in a tough market that's pretty flat at the moment. I know we only make a few million dollars a year, which is a small time for the rest of you. But it's a big market, and we could use the investment to somehow improve our position."

## QUESTIONS

(C.O.2) [Application]

1. How would you classify each of AHI's business portfolios using the BCG matrix?
2. How useful did you find the BCG matrix in helping allocate the \$250m investment?