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Code No: 723AB

JAWAHARLAL NEHRU TECHNOLOGICAL UNIVERSITY HYDERABAD**MBA III Semester Examinations, December - 2018****STRATEGIC MANAGEMENT****Time: 3hours****Max.Marks:75****Note:** This question paper contains two parts A and B.

Part A is compulsory which carries 25 marks. Answer all questions in Part A. Part B consists of 5 Units. Answer any one full question from each unit. Each question carries 10 marks and may have a, b, c as sub questions.

PART - A**5 × 5 Marks = 25**

- 1.a) List down two strengths and two weaknesses of formal strategic planning. [5]
- b) When is a company's competitive advantage most likely to endure over time? [5]
- c) What do you understand by 'Restructuring'? [5]
- d) With suitable example, explain whether innovation can be called the single most important building block of competitive advantage? [5]
- e) Explain with examples why are certain industries fragmented. [5]

PART - B**5 × 10 Marks = 50**

- 2.a) Explain how developing a mission statement can help resolve divergent views among managers in a firm.
- b) Consider that you are engaged as a consultant by McDonald's. Complete a Porter's five force analysis of competition for the fast-food industry in India. [5+5]

OR

- 3.a) According to the five forces model, one potential threat in an industry is buyers. Yet unless buyers are satisfied, they are likely to look for satisfaction elsewhere. Can the fact that buyers can be threats be reconciled with the need to satisfy buyers?
- b) Is the evolution of industry structure from an emerging industry to a mature industry to a declining industry inevitable? Why or why not? [5+5]

4. What kinds of strategies might a (a) small pizza place operating in a crowded college market and (b) detergent manufacturer seeking to bring out new products in an established market use to strengthen their business models? [5+5]

OR

- 5.a) Why it is important to understand the drivers of profitability, as measured by the Return on Invested Capital (ROIC)?
- b) What factors affect the likelihood that a firm will initiate a competitive response to the action taken by a competitor? [5+5]

- 6.a) What are the pros and cons of a firm merging with a rival firm?
- b) How does strategic formulation differ for a for-profit versus a non-profit organization? [5+5]

OR



- 7.a) What are the risks of international diversification?
b) What are the challenges of managing multinational firms? [5+5]
- 8.a) Discuss how the need for control over foreign operations varies with the strategy and distinctive competencies of a company.
b) What are the implications of this relationship for the choice of entry mode? [5+5]
- OR**
- 9.a) Licensing proprietary technology to foreign competitors is the best way to give up a company's competitive advantage. Discuss.
b) Explain why companies pursuing an international strategy transfer the skills and products derived from distinctive competencies to foreign markets while undertaking some limited local customization. [5+5]
- 10.a) Identify and explain a long-term objective and two supporting annual objectives for a familiar organization.
b) Explain why success of a strategy implementation is often determined by whether the strategy formulation process empowers managers and employees. [5+5]
- OR**
- 11.a) Explain why organizational structure is so important in strategy implementation.
b) List the advantages and disadvantages of a functional versus a divisional organizational structure. [5+5]

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