Total number of printed pages–4

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2024

COMMERCE

Paper : COM–4016

(Strategic Management)

Full Marks : 80

Time : Three hours

The figures in the margin indicate full marks for the questions.

1. Choose the correct option : 1×5=5

   (i) Which of the following best defines the term "strategic alliance" ?

   (A) A contract between *two* companies to reduce competition

   (B) A merger between *two* companies to form a new entity

   (C) A formal agreement between two or more parties to pursue a set of agreed-upon objectives needed while remaining independent organizations

   (D) A decision by a company to go public

Contd.

(ii) What role does corporate governance play in strategic management ?

(A) It ensures that strategic decisions comply with company ethics and regulations

(B) It is solely responsible for the day-to-day operational decisions

(C) It handles disputes between employees within the company

(D) It focuses on external marketing strategies only

(iii) Which of the following is NOT typically considered a core component of strategic management ?

(A) Environmental scanning

(B) Strategy formulation

(C) Human resources recruitment

(D) Strategy implementation

(iv) In the context of Porter's Five Forces, what does the threat of substitute products refer to ?

(A) The risk that existing products could be replaced by new technologies

(B) The potential for customers to switch to a competitor's product

(C) The danger that products similar to those offered by the company could appear at a lower price

(D) All of the above

(v) What does the "competitive advantage" of a company refer to ?

(A) The company's ability to maintain the highest stock prices in the industry

(B) The company's ability to produce goods at the lowest cost possible

(C) The company's ability to perform in one *or* more ways that competitors cannot easily match or exceed

(D) The company's policy on employee benefits and compensation

2. Answer the following : ***(any five)*** 5×5=25

(i) How can value chain analysis help a firm gain a competitive advantage ?

(ii) Explain the significance of vision and mission statements in the strategic planning process.

(iii) How does McKinsey's 7-S framework apply to strategic management ?

(iv) Describe how the Board of Directors influences strategic decisions and policy-making in different types of organizations.

(v) Explain the concept of synergy in the context of internal corporate analysis.

(vi) How is the Boston Consulting Group's Growth-Share Matrix applied in strategic planning for product portfolios ?

(vii) Outline the key elements involved in the evaluation and control of strategy.

3. Answer the following : ***(any five)*** 10×5=50

(i) How does the external environment influence strategic decision-making ? Describe the use of one tool for environmental analysis. 4+6=10

(ii) Examine the strategic rationale behind mergers and acquisitions in the contemporary business environment.

(iii) Explain how understanding cost levels, performing break-even analysis, and utilizing financial ratios can aid strategic decision-making and financial planning.

(iv) Analyze the challenges associated with the implementation and evaluation of strategic plans.

(v) Discuss how Michael Porter's Generic Strategies—cost leadership, differentiation, and focus—help companies gain a competitive edge.

(vi) How can the Balanced Scorecard be used by companies to improve strategic performance ?

(vii) Explain the concept of retrenchment and outline the typical steps a company would take to execute this strategy effectively. 4+6=10
