



(SF)

**MBA 14**

**III Semester M.B.A. Examination, August 2011**  
**BUSINESS POLICY AND STRATEGIC MANAGEMENT**

Time : 3 Hours

Max. Marks : 75

***Instructions :** Question paper is divided into **three** Groups.*

***Each** Group is of **25** marks.*

*Figure to the **right** in bracket indicates mark.*

*Assume suitable data if **necessary**.*

**GROUP – A**

Answer **any three** questions. (Question No. **1** is **compulsory**)

1. What are the qualities of a good control system ? (5)
2. What is Corporate Strategy and what are the important strategies crafted at the corporate level ? (10)
3. What is Benchmarking ? How can this be used for environmental scanning ? (10)
4. Why is strategy implementation so significant in strategic management ? (10)
5. What are the steps in designing the organizational structure of a firm ? (10)

**GROUP – B**

Answer **any three** questions. (Question No. **6** is **compulsory**)

6. What are the benefits of a well conceived vision statement ? (5)
7. What do you mean by environment ? Distinguish between the direct action environment and the indirect environment. (10)
8. What are primary measures of corporate performance ? (10)

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9. Discuss the various methods of remunerating sales people with the relative merits and demerits. (10)
10. What are the basic approaches in organizational design ? How are these approaches utilized in designing the structure to implement a strategy ? (10)

GROUP – C

All questions are **compulsory** :

11. Fill in the blanks. (**Each** question carries **2** marks)
- i) Forming a strategic vision is an exercise in thinking carefully about where a company intends to head to be \_\_\_\_\_
  - ii) SWOT analysis, is a \_\_\_\_\_ tool used to evaluate the strengths, weakness, opportunities and threats in a business.
  - iii) The BCG matrix is a useful tool in that it impresses upon a portfolio approach to \_\_\_\_\_
  - iv) Financial strategy is the \_\_\_\_\_ of corporate planning system of an organization.
  - v) The last phase of the strategic management process is \_\_\_\_\_
12. Multiple choice question. (**Each** question carries **2** marks)
- i) A strategic vision portrays a company's future business scope i.e. \_\_\_\_\_
    - a) Where we are going
    - b) Why we are going
    - c) What we are doing
    - d) How we are doing
  - ii) Broad statements of strategic direction of an organization are \_\_\_\_\_
    - a) Mission
    - b) Goals
    - c) Value
    - d) Vision
  - iii) Which of the following is not included in the strategy for inventory management \_\_\_\_\_
    - a) Policy regarding minimum inventory
    - b) Policy of turnover
    - c) Policy regarding maximum inventory
    - d) Policy regarding timing of reordering



- iv) In this kind of organizational structure an enterprise is departmentalized according to the work function being performed \_\_\_\_\_
- a) Matrix structure                      b) Territorial structure  
c) Functional structure                d) Simple structure
- v) Premise control is concerned with \_\_\_\_\_
- a) Environmental factors                b) Climatic factors  
c) Weather factors                      d) Global factors

13. **True or false.** (Each question carries 1 mark)

- i) One reason that strategic planning may fail over the long run is that strategic managers may forget that the future is inherently unpredictable.
- ii) Per capita income of a person must not be determined so as to ascertain his purchasing power.
- iii) Financial strategy is the backbone of all corporate planning.
- iv) Job rotation is an attempt to enrich the content of job.
- v) Manufacturing strategy centers on improving efficiency, quality and customer responsiveness.

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