Test Series: March, 2018

MOCK TEST PAPER

INTERMEDIATE COURSE: GROUP – II

PAPER –7: ENTERPRISE INFORMATION SYSTEMS & STRATEGIC MANAGEMENT

SECTION – B: STRATEGIC MANAGEMENT

Time Allowed – 1½ Hours **Maximum Marks – 50**

All questions are compulsory. Choices, if any, are available within question.

Question 1 (Attempt any two parts)

1. (a) Explain competitive advantage.

   (b) What is strategic vision?

   (c) What do you understand by co-generic merger? ***(2 × 2 = 4 Marks)***

Question 2 (Attempt any two parts)

2. Which of the following statements are 'correct' and which are 'incorrect'? Give reasons, in brief, for your answer:

   (a) Every strategic move is the result of proactive planning.

   (b) Economies of scale discourages new entrants.

   (c) Human resource management aids in strategic management. ***(2 × 2 = 4 Marks)***

3. (a) *Always Fit* is a company that operates in pharmacy store chains. Its stores are specialized in providing prescribed medicines, health and wellness products etc. in the country. The store chain is having surplus space which can be utilized for other purposes. Azad, a senior executive of the research and development wing in the company conceives an idea to manufacture and sell the cosmetic products for utilizing the surplus space available in the pharmacy stores.

   Identify and explain the role of Azad in company. ***(5 Marks)***

   (b) Arena Ltd. manufactures computers that are of low in production cost, competitive price, and quality to their competitor's product. Profits and market share are declining day by day. Shreekanth, a senior executive realizes that drastic strategies have to be created for the survival of a company. After SWOT analysis by assessing the strengths and weaknesses, they come up with the conclusion that they cannot compete in the computers with the competitors. The management directs Shreekanth to act quick and develop a suitable strategic plan.

   Discuss the strategy which can be opted by Shreekanth. ***(5 Marks)***

   (c) Mr. Banerjee is head of marketing department of a manufacturing company. His company is in direct competition with thirteen companies at national level. He wishes to study the market positions of rival companies by grouping them into like positions.

   Name the tool that may be used by Mr. Banerjee? Explain the procedure that may be used to implement the technique. ***(5 Marks)***

4. (a) Briefly explain the importance of strategic management. ***(5 Marks)***

   (b) What is strategic decision making? What are its major dimensions? ***(5 Marks)***

5. (a) "Evaluating the worth of a business is central to strategy implementation." In the light of this statement, explain the methods that can be used for determining the worth of a business. ***(5 Marks)***

   (b) Distinguish between cost leadership and differentiation strategies. ***(5 Marks)***

6. What is strategy audit? Explain the criteria for strategy audit as given by Richard Rumelt.

Or

Define strategic change. Explain the various stages/phases of change process as propounded by Kurt Lewin. ***(7 Marks)***