



Business Management and Strategy

- Q.1 (a) Robust Tyres Limited (RTL) is engaged in the business of manufacturing and marketing of tyres for cars, trucks and tractors. Recently, Eagle Tyre Limited (ETL) has offered to sell its company to RTL because of serious internal conflicts among the principal owners.
- Consultants appointed by RTL to conduct an examination of the affairs of ETL have given satisfactory report regarding the quality of assets, competence of the staff, manufacturing processes, marketing and distribution network, and financial position of the company. The consultants have further stated that the asking price by ETL is high but not too unreasonable.
- Discuss what other matters of significance should RTL consider in evaluating the proposal of ETL. (06)
- (b) Leading organisations articulate their key objectives through clearly and concisely stated Mission and Vision statements.
- State the distinctive ingredients of 'Mission' and 'Vision' Statements. (03)
- Q.2 (a) Valley Bank Limited (VBL) is pursuing a strategy of promoting its products such as credit cards, car loans and bank lockers and has hired 20 customer services representatives to contact prospective customers on telephone. Although VBL offers emoluments which are slightly higher than the prevailing market, it is experiencing a very high turnover among the customer services representatives. Identify any five possible reasons for the high turnover rate. (05)
- (b) Describe briefly the reasons why senior human resource managers have assumed increasingly important roles and responsibilities in the formulation and implementation of corporate level strategies of leading organisations. (05)
- Q.3 Identify the degree of the risk probability and impact factor in each of the following scenarios and state the reason for your answer.
- (a) A major fire in the facilities of Paragon Oil Refinery Limited would have disastrous consequences for the company. Therefore, the company has implemented most stringent fire control procedures and systems and offers fire-fighting training to its employees from time-to-time. (02)
- (b) Work in Sun Shipbreaking Company is hazardous as strenuous manual working methods are involved in dismantling of old ships. Preventive measures of workforce training and protective safeguards are almost non-existent A major accident may result in loss of lives of a large number of workers. (02)
- (c) Workers in Highland Marble Factory face continuous exposure to fine dust particles which cause respiratory diseases. The factory requires 120 workers. 10-15 per cent of workers leave each year to seek jobs elsewhere in more conducive work environments although the company provides them adequate protective facilities. (02)

Q.4 Study the following scenarios:

- (i) Established as a family business in 2005, Star Confectionary Limited has expanded its operations significantly due to the sustained efforts of family members and substantial reinvestment of earnings in the business.
- (ii) Management of Ajax Limited intends to make far-reaching changes in its employee compensation policies. A questionnaire is sent to the staff to elicit their viewpoints to be able to reach a well-considered decision. The responses are tabulated and results are circulated among the staff. The staff members are then asked to review the issues on the basis of the cumulative inputs received and offer their revised viewpoints. The series of rounds are repeated until the management is able to incorporate all the inputs and reach a meaningful decision.
- (iii) An employee in an industrial organisation believes that the supervisor is creating hindrances and preventing him from achieving something which he considers to be important.
- (iv) A major corporate restructuring exercise has been carried out in the organisation, which would have far-reaching impact on the objectives of the organisation and the individuals working in it.
- (v) There is concentration of inter-connected facilities and ancillary service organisations in that region which offer value-creation advantages to all the firms located in it.
- (vi) Mateen is keen to improve his performance by adopting new ideas and concepts and receiving objective feedback on his performance.
- (vii) The quantities of non-renewable raw materials and resources used and wastages and emissions created by an undertaking in the manufacture of products or providing services.

Match each of the above scenarios with any **one** of the following concepts/principles.

(i)	environmental footprint	(ii)	change management
(iii)	transformational change	(iv)	organic growth
(v)	activists	(vi)	clusters
(vii)	career progression	(viii)	ethical manufacturing
(ix)	Delphi method	(x)	sustainable reorganisation
(xi)	conflict	(xii)	queuing theory
(xiii)	horizontal growth	(xiv)	pragmatist

(07)

Q.5 Diligent Enterprise Limited (DEL) is a highly progressive multinational company and has subsidiaries in several countries. DEL considers Akmal Khan as an exceptionally talented employee and has identified him for assuming a senior management position.

Discuss briefly **four** employee development methods which DEL may adopt to enable Akmal Khan to assume a senior management position in the group.

(08)

Q.6 Superb Tiles Limited (STL) is a manufacturer of ceramic tiles and has over the years established a reputation for the quality and durability of its products. Recently, a new competitor has entered the market and has launched an aggressive market penetration strategy to make inroads in the market held by STL. Shafiq Ahmed, Marketing Director of STL has proposed a strategy of reducing the prices to counter the threats from the competitor.

Identify and explain briefly some of the weaknesses of price cutting strategy which the management of STL must consider prior to making a final decision in this regard.

(08)

- Q.7 Critical Success Factors are those elements of strengths in which a firm must excel to outperform its competitors. State any **six** Critical Success Factors which in your opinion would be most important for a nationwide courier company to retain its market leadership position. (06)
- Q.8 (a) Briefly describe the concept of 'Balanced Scorecard' and discuss the main benefits which the management of a progressive organisation seeks to achieve by adopting a Balanced Scorecard approach. (07)
- (b) Explain briefly the characteristics of a fragmented industry/business. Give **two** examples of such an industry/business. (04)
- Q.9 (a) Define the term 'Whistleblowing'. (03)
- (b) Explain briefly **three** reasons why professionals such as auditors, lawyers and medical practitioners have to carry the burden of special obligations and fiduciary responsibilities towards their clients. (06)
- Q.10 (a) Define the term 'Sustainable Development'. Also give **one** example of an industry in which sustainable development is of particular importance along with the reason thereof. (03)
- (b) Delightful Toy Company (DTC) is in the process of establishing a factory for manufacturing of an assorted range of toys for infants between the ages of 12-24 months.
- Describe briefly the measures which DTC should take as a socially responsible company to conform to the high standards of safety for the infants. (05)
- Q.11 (a) Swat Mountain Resorts (SMR) have appointed you to design an online marketing website to persuade holiday makers to visit their facilities. State any **eight** design features that may be incorporated to make the website attractive for the prospective customers. (06)
- (b) Briefly describe 'Decision Support System'. State the important features which should be incorporated in a well-designed Decision Support System. (05)
- Q.12 (a) Describe briefly the important functions of Customer Relationship Management software. (04)
- (b) Computer viruses are programs designed to deliberately corrupt computer systems. Viruses are classified into different types based on their effects and the damages that they cause. Briefly explain how the following types of viruses can corrupt the computer systems:
- (i) Trojan horse
 - (ii) Worm
 - (iii) Logic bomb
 - (iv) Time bomb
- (03)

(THE END)