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## Business Management and Strategy

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- Q.1 (a) Best Limited (BL) has been incorporated recently with the objective of establishing the business of manufacturing and marketing of fast moving consumer goods. The company realises that it would have to compete in a highly challenging business environment.
- Discuss briefly why it would be essential for BL to give high degree of importance to the strategic planning process for achievement of its corporate objectives. (08)
- (b) Explain briefly what you understand by the term 'emergent strategy'. Give examples of **four** situations in which an organisation may consider adopting an emergent strategy. (06)
- Q.2 (a) Firms which pursue cost leadership strategies in intensely competitive markets make continuous efforts to achieve economies in their manufacturing and operating costs as pressures for cost reductions emanate from internal as well as external stakeholders.
- Identify **six** operational/strategic actions which would enable a firm pursuing cost leadership strategy to maintain and strengthen its competitive advantage. (06)
- (b) Identify **four** operational risks which may adversely impact the operations of a shipping company which is a bulk cargo carrier of dry goods such as coal, iron ore, cement, wheat, etc. (03)
- Q.3 (a) Experienced marketing strategists are mindful of the fact that success of new/innovative products cannot be taken for granted and several new products fail in the market on their launching or disappear from the market within a period of 3-4 years.
- Explain briefly any **four** factors which are responsible for failure of new/innovative products in the market. (06)
- (b) Explain the term 'sponsorship' in the context of product promotion. State **two** reasons why companies prefer to promote their products/services through sponsorship. (05)
- Q.4 (a) ABC Limited is a recently established organisation. The sponsors and management of ABC Limited believe in a culture of strict adherence to high standards of ethical conduct.
- State **five** specific measures/practices which ABC Limited may take in pursuance of a culture of adherence to high standards of ethical conduct. (05)
- (b) Briefly state **four** different ways in which a company may demonstrate that it operates as a responsible corporate citizen. (04)

- Q.5 (a) Central Telecommunication Company (CTC) is operating in an environment of intense competition. Abdul Hakeem, General Manager Marketing of CTC has resigned recently and the management intends to short-list candidates to fill the vacant position.
- Identify **four** types of competencies which the management should assess in recruiting a suitable replacement. (06)
- (b) State **three** different reasons why a candid discussion of the performance appraisal report between the employer and the employee is beneficial for the employee. (03)
- Q.6 (a) Discuss briefly the reasons why leading companies use brand names and expend resources and make efforts to promote their brands. (03)
- (b) Zeal Limited deals in three types of products, viz. soaps, edible oil and UHT milk. The company markets each product under three different brand names. Give **two** reasons why Zeal Limited may be pursuing the policy of marketing and promoting the products under different/individual brand names. (03)
- Q.7 Study the different situations and the information given below and select the most appropriate option. Each multiple choice question carries **ONE** mark. (05)
- (i) Rivalry among the suppliers will not be intense when:
- the rival firms are of equal size and strength
  - the switching costs of the loyal customers are high
  - the fixed costs are a small proportion of the total costs
  - the market is experiencing a high rate of growth
- (ii) A company engaged in the manufacture of cement is planning to launch ventures in earth moving equipment and motor cars. The company is pursuing a policy of:
- vertical/forward strategy
  - synergy optimisation
  - conglomerate expansion or diversification
  - horizontal integration
- (iii) Solid Steel Limited operates a captive furnace oil based power generation plant and compares its fuel efficiency with the performance of similar plants in the fertiliser and paper manufacturing units. The company is conducting an exercise of:
- external benchmarking
  - operational benchmarking
  - competitive benchmarking
  - efficiency evaluation
- (iv) An organisation in which individuals influence decisions on the basis of their knowledge and skills rather than their positions in the organisation is called:
- organic organisation
  - linear organisation
  - mechanistic organisation
  - missionary organisation
- (v) Which of the following is not a primary activity of the value chain:
- operations
  - marketing and sales
  - inbound logistics
  - procurement

Q.8 Platinum Limited encourages active workplace learning at the factory floor level as the management is of the opinion that this learning process results in optimum benefits for the organisation as well as the employees.

Explain briefly any **four** factors which in your opinion contribute towards the success of active workplace learning process among the participants. (06)

Q.9 (a) What do you understand by the term Key Performance Indicators (KPIs)? List any **six** KPIs for a commercial bank assuming necessary details. (08)

(b) State briefly the concept of Triple bottom line reporting system. Identify any **three** performance measurement indicators under each aspect of performance discussed in Triple bottom line reporting system. (07)

Q.10 (a) Describe briefly any **four** measures which would ensure the effectiveness of password as a control. (06)

(b) (i) E-business has gained a significant share of the market for various goods and services at the global level. However, growth of e-business is subject to various challenges.

Identify and explain briefly any **four** barriers which are impediments in the operation of e-business. (06)

(ii) Explain briefly the important features of Intranet. (04)

(THE END)