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## Business Management and Strategy

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- Q.1 Pioneer Limited (PL) is engaged in the business of manufacture of wide range of personal products. The new management in PL is seeking strategies for sustaining competitive advantage over rival firms and their products and services.

**Required:**

- (a) Identify and discuss the strategies that PL may pursue to attain sustainable competitive advantage. (06)
- (b) Discuss any **two** risks associated with the strategies identified under (a). (06)
- (c) Recommend the optimal strategy for PL giving **two** reasons to support your point of view. You may assume necessary details in this regard. (02)

- Q.2 Fashionista by Agha Ansari is considering growth opportunities for its organisation which has the following divisions:

**Salon:**

This division was a brainchild of Agha Ansari. It was established in early 1990s and got immediate recognition and appreciation because of state-of-the-art design and highly qualified stylists. This division has a dominant position having substantial market share. Although overall market is maturing and has low growth rate, this division has been earning high returns on investment.

**Cosmetics:**

This division was established six years ago. The cosmetic industry has been emerging; however, presently this division has low market share.

**Required:**

According to the Boston Consulting Group Matrix:

- (a) Identify and discuss the quadrants in which above divisions fall. (05)
- (b) Discuss any **two** strategies that Fashionista may adopt for each of its divisions. (06)

- Q.3 (a) 'We Connect' is the leading mobile network operator in the country. One of its packages 'all you desire four' has garnered considerable customers' interest. This package allows customers to select a latest smartphone, customized internet data usage package, customized local on net and off net minutes and mobile insurance. The package is for a term of 12 to 36 months and customer has to pay low initial and equal monthly payments. However, discontinuation of the package prior to the agreed term involves high cost for the customer.

**Required:**

Identify and discuss the strategy being followed by 'We Connect' in respect of this package. (04)

- (b) In today's fast-paced world, global market has become hypercompetitive. The variety and speed of changes in the behaviours of competitors, consumers, regulators etc., are making strategies short-lived.

**Required:**

Discuss the measures that may be taken by organisations to survive in a hypercompetitive market. (06)

Q.4 The Coffee Hub (TCH) is a newly established chain offering gourmet blend coffee in a variety of flavours in a state-of-the-art customer friendly coffeehouses. It imports the highest quality of coffee beans from suppliers around the globe. Besides own operated coffeehouses, it has issued operating licences to other stores as well. TCH also offers packaged coffee to online customers.

**Required:**

List the activities to be carried out by TCH in respect of its primary value chain based on the classification suggested by Porter. (08)

Q.5 Rising Star, sports goods manufacturer and retailer has gained country-wide recognition. It intends to expand its business globally by franchising its business.

**Required:**

Briefly discuss the matters that Rising Star should consider before entering into the franchising business. (07)

Q.6 Fantasy Trip Limited (FTL) is about to commence an online business as the agent of various hotels, travelling agencies, car rentals, recreational activities, etc. It is in the process of designing a website to attract customers.

**Required:**

Briefly discuss the factors that FTL should consider while designing the website. (09)

Q.7 Sweet Tooth Factory (STF) are well-established bakers offering designers' and customized cakes for special occasions and festivities. To gain product differentiation and recognition of brand identity at a wider spectrum, STF is considering marketing its product through internet.

**Required:**

(a) What do you understand by the term 'brand identity'? Give **one** example. (02)

(b) Briefly discuss **four** strategies with examples that STF may consider for successful e-branding of its products. (06)

Q.8 Fatima Fawad has recently been promoted as Accounts Supervisor in place of her ex-boss who has resigned. Shortly after taking over, she started to receive complaints concerning Jawad Shah who was recruited as Accounts Assistant last year. On probing, she has gathered the following information:

(i) Jawad Shah is a fresh graduate with distinction from a well-known university.

(ii) He has been assigned various responsibilities from time to time. Although his performance in the first assignment was satisfactory, it has deteriorated subsequently as he often fails to meet deadlines and his work contains number of errors.

(iii) He does not pitch-in in any work which he considers beyond his responsibilities.

(iv) He does not get along well with his colleagues.

**Required:**

(a) Identify and discuss the probable reasons that might have contributed to the poor performance of Jawad Shah. (05)

(b) As the supervisor of Jawad Shah, what steps Fatima may take to address the situation? (05)

Q.9 The person specification is an important part of the recruiter's toolbox. A well-designed person specification assists in attracting the right candidate for the job.

**Required:**

Draft a 'Person Specification' for the position of Marketing Manager containing one essential and one desirable attribute in respect of each of the categories prescribed by Alec Rodger. (08)

Q.10 Sameer Khan, the CEO of Trendsetters Limited (TL) has recently attended a seminar on 'integrated reporting'. He learned that traditional financial reporting as the sole measure of a company's performance is not sufficient and businesses need a reporting environment that allows them to explain how their strategy drives performance and leads to the creation of value over time. He intends to introduce integrated reporting for his organisation.

**Required:**

(a) Briefly discuss the guiding principles for developing an 'integrated report'. (04)

(b) List the benefits that TL might enjoy by 'integrated reporting'. (02)

Q.11 Khadija Tariq, a fresh qualified chartered accountant has recently joined UltraCare, a consultancy firm as financial analyst. One of the firm's clients has requested for advice on future prospects of automobile industry in Pakistan. Her supervisor told her to copy the recent research work of another firm with minor changes and issue the advice under firm's name without citing the source. Khadija believed that it was an unethical act and showed her concern but the supervisor told her that research work of the other firm is not copy righted. Khadija believes that not following supervisor's instructions would adversely be reflected in her appraisal.

**Required:**

Advise Khadija as to how she can resolve this conflict by assessing the relating threats and safeguards. (09)

(THE END)