

**SVKM'S NMIMS UNIVERSITY
SCHOOL OF DISTANCE LEARNING**

PROGRAMS:

DBM(II)/PGDBM(II)/DMM(II)/PGDMM(II)/DFM(II)/PGDFM(II)/DHRM(II)/PGDHRM(II)/DITM(II)/PGDITM(II)/DSCM(II)/PGDSCM(II)/ADITM(II)/ADBFM(II)/ADSCM(III)

Subject: Strategic Management

Marks: 100

Time : 3 hrs

Date: 02-06-2009 (11.00a.m. – 2.00 p.m.)

Instructions:

1. Candidates should read carefully the instructions printed on the question paper and on the cover of the Answer Book, which is provided for their use.
2. Answer to each new question to be started on a fresh page.

Q1. Attempt any 2 out of any 4

Marks : 10

- a) What is the nature and value of strategic management
- b) What is a company mission and why is it required
- c) Why firms globalize
- d) How does the external environment influence an organisation

Q2. Write Short notes on any 3 out of 5

Marks : 15

- i) Vision
- ii) Benefits of strategic management
- iii) SWOT
- iv) Functional tactics
- v) Budgets

Q3. Attempt any 3 out of 5

Marks : 45

- 1) What are the components of the Strategic Management Model
- 2) Why is Corporate Social Responsibility important today
- 3) How competitive forces shape strategy
- 4) Explain Porters model and describe its pit falls
- 5) How do you put strategy into Action

P. T. D.

Q4. Case Study

Answer in Detail

Marks : 30

1. Case

Comfort Wear was primarily a local garment manufacturing company that gradually grew in its size and operations and has now become one of the leading garment manufacturers in the country. The new CEO of the company, Amitabh Chaturvedi, during his first meeting with the management disclosed his vision of taking Comfort to the global market and create an identity for it in international business. "Our products are world class and comparable to those produced by companies in the world market without being inferior. In fact, our products have done well in most regional places, both in terms of profitability and market share," justified Chaturvedi. At the end of the meeting, he requested all the members to think about the idea of being a globally operating firm and come up with strategies for further growth of the organization. Most of the older people were risk averse. According to them, exposure to the competitive international market and make them vulnerable. On the other hand, the younger employees were very optimistic.

During the next meeting, Chaturvedi invited the views of the members present. One of the oldest members asked, "Why then do we have to experiment with globalizing and loose what we have earned till now?". He explained to them that the business world was becoming increasingly global and most of the markets are now part of a global network. "The growth of the firm would remain stagnant for sometime and we might have to eventually close down operations" said he, in a concerned voice. "We would therefore benefit by starting up our own manufacturing centers in selected countries, and catering to a global market," suggested Chaturvedi. The discussion that followed, covered various issues involved in becoming a global firm.

Many seniors were concerned about the legal issues, political and economic forces at the new location that might affect its operations "But how can we adjust to the culture of the new nation, asked another senior member... To this Chaturvedi replies, "Yours is a valid question, but we do have strategies to overcome them." The group then discussed the additional responsibilities of several departments with emphasis on the ability of the department and the organization to meet the challenges of the global economy. The meeting finally ended with the management deciding that the company would go global by initiating its operations in two neighboring countries first. It then drafted its new comprehensive policy for the international context.

In 10 years Comfort grew to become one of the world's most successful firms in the industry. Chaturvedi attributed the company's success to the efforts of the company's human resources which played a crucial role in helping the organization to adapt to different cultures and business environments.

- A) What factors contributed to the success of Comfort Wear
- B) What would you the focus on and why?