

Roll No.

Total No. of Pages : 04

Total No. of Questions : 17

MBA (2018 Batch) (Sem.-4)

CORPORATE STRATEGY

Subject Code :MBA-401-18

M.Code :77807

Date of Examination : 01-07-22

Time : 3 Hrs.

Max. Marks : 60

INSTRUCTIONS TO CANDIDATES :

1. SECTION-A contains EIGHT questions carrying TWO marks each and students have to attempt ALL questions.
2. SECTION-B consists of FOUR Subsections : Units-I, II, III & IV. Each Subsection contains TWO questions each carrying EIGHT marks each and student has to attempt any ONE question from each Subsection.
3. SECTION-C is COMPULSORY and consist of ONE Case Study carrying TWELVE marks.

SECTION-A

Write short notes on:

1. What is the significance of synergy for an organisation?
2. What do you mean by Matrix structure?
3. Give the meaning of corporate culture.
4. Differentiate between Strategy and Tactics.
5. Define Forward integration with the help of example.
6. Write a short note on GE nine cell frameworks.
7. What are the evaluation techniques for Strategic and Operational control?
8. Discuss resource allocation as a tool of strategy and strategic implementation.

SECTION-B

UNIT-I

9. What are the various levels of strategy? What is the role of a strategist?
10. Distinguish between SWOT and TOWS giving examples.

UNIT-II

11. Describe Porter's five forces model in detail. What are the driving forces and key success factors of a business?
12. Explain in detail the leadership, differentiation and focused strategies. What are the advantage and disadvantages of each?

UNIT-III

13. What do we mean by related and unrelated diversification? Explain the meaning of corporate restructuring.
14. Describe the harvesting and retrenchment combination strategies in detail.

UNIT-IV

15. Describe strategy-structure fit of an organization. How is resource allocation done?
16. Describe the organizational system and techniques of strategic evaluation.

SECTION-C

17. Case Study :

Sitting in the back of his chauffeur driven car coming back from Ludhiana, Rohit was thinking what to do next. His road to success had not been easy and he had worked very hard. So, should he take it to the next level but then sometimes stagnancy in profits worried him and he thought otherwise.

He remembered that he had setup his first coffee shop in a high visibility location in a shopping hub in Chandigarh in 2004 with the help of his father and a venture capitalist who was a silent partner at a time. He after doing his graduation had followed in the footsteps of his father and decided to setup his business. He had taken help from his

father and setup a nice little coffee shop “Coffee Cabana”. The shopping hub boasted of best brands in India and the customer profile consisted of majority of middle - upper middle class from Chandigarh, Mohali and Panchkula. The high visibility of the shop ensured a good footfall not only of regular customers but also of walk-in customers.

Rohit was a Graduate in arts and he worked hard to increase his knowledge of coffee bean and blends and processes related to preparing them. Today because of that knowledge, he is able to offer his customers customization like no other shop in the area. He offer the coffee lovers opportunity to choose their coffee and grind them before handing them in for a fresh and unique coffee experiences. His shops “wall of frames” and his website was full of praises by the satisfied customers. This has also promoted him to delve his feet into selling unique coffee blends rather than only coffee. He offered concentrated blends like elaichi coffee, spice coffee and even some lightly mixed alcohol based coffees. Many international customers often came into his shop to order customize blends to take back home and often requested refills online. Though, the side business was a good revenue earner, Rohithas never fully explored the potential of selling customized coffee blends. He was able to offer his superior service only because of his relationship with his suppliers who offered him best quality coffee and beans at a competitive price. His relationship with the suppliers ensured superior services. He has had such a strong relationship with his suppliers that he has never ever felt the need to enter into formal contract with his suppliers. He also had concentrated on other element of his services that was good courteous employee. Though he had high attrition rate in service personnel yet good work environment ensured that employees were motivated and knew that customer was to be valued. His customization strategy could not work without a good quality customer contact employees. Over the years, Rohit has been able to develop some unique and patented blends of coffee and tea which has increased the popularity of his shop. The Chandigarh outlets, in its third year of operation had become very popular with universities and college going student and was hang out specially on weekends. On weekdays it was a meeting place for the office people. The diversity of customer base ensures a steady stream of demand throughout the week. Rohit had been able to reach breakeven in the first three years of his operations and had in 2010 brought out his partner and converted the business to sole proprietorship.

Motivated by the success, he had opened up an outlet in Amritsar, Ludhiana and Jalandhar. Rohit had ensured that the blue print of the outlets in these three towns was same as that of one in Chandigarh so that the customer could associate the brand. This had given his brand a regional recognition “Coffee-Cabana”. On demand of his customer, he had converted pure coffee shop into a snack and coffee outlet. Rarely he offered his customer a bare basic assortment of coffee compliments. This change concept of his coffee shop had led to him competing not only with other big coffee shops like Barista and CCD but also with other restaurants. In comparison to these big outlets, his product though customized was considered expensive as a result he was alienating the younger college and university students. This category considered the place as a special occasion place rather than a hangout place which was the case when coffee cabana was in

Chandigarh. His economies of scale were no match for these big restaurants of coffee chain.

Since the inception and start of the business in 2004 Rohit had taken every decision himself. He had been a true entrepreneur and believed in what his father had taught him i.e. "if you want something done right, do it yourself". But increased scale of business taught him that he could not be everywhere and therefore though reluctantly he hired some MBAs to take care of other three outlets. However, he was still facing problems in integrating function of the four outlets.

Rohit had understood these challenges and was aware of them even when his operation was limited to only in Chandigarh. He considered these to be a part and parcel of the business. His is still in green *i.e.* making profits and therefore he thinks he had need not worry but today he wanted more.

He had run into venture capitalist who had initially finance his business. His old partner had offered to help Rohit take his business international. Rohit had never thought of expanding further but the offer was certainly tempting and on his way back to Chandigarh, he was contemplating what to do.

Discussion Questions :

- (a) What should he do? Expand or not?
- (b) What means would be best suited?
- (c) Conduct a SWOT and TOWS analysis for Rohit.

NOTE : Disclosure of Identity by writing Mobile No. or Making of passing request on any page of Answer Sheet will lead to UMC against the Student.