

**K. J. SOMAIYA INSTITUTE OF MANAGEMENT STUDIES AND RESEARCH,**  
**Vidyavihar (E), Mumbai- 400077**

**Program: PGDM (F & H) & PGDM (IB)– IV Trim. 2016-18**  
**Subject: Business Policy**  
**(End Term Examination)**

**Duration: 3 hours**

**Maximum Marks: 50**

**11.09.2017**

**Instructions**

**All the Three Questions are compulsory**

**Question 1 carries 20 Marks**

**Question 2 carries 12 Marks**

**Question 3 carries 18 Marks**

**QUESTION 1**

Using the relevant diagrams (\*), wherever indicated, distinguish between **any 10 pairs** of the following terms and explain the strategic significance of each of the 20 terms chosen by you for a company:

- 1)\* Mobility and Rigidity in capabilities development
- 2)\* Responsive Corporate Social Responsibility (CSR) and Strategic CSR
- 3)\* Strategy Maps and Strategic Themes
- 4) Public Goods & Private Goods
- 5) Social Business model and Low Cost Business model
- 6) External and Internal Retrenchment
- 7) Blue Ocean Strategy and Red Ocean Strategy
- 8) Redesigning productivity in the value chain and Enabling local cluster development
- 9) Related and Unrelated diversification
- 10) Be Responsible Stage and Get into Business Stage in the company/NGO convergence
- 11) Simultaneous and Sequential Combination strategies
- 12) Strategic controls and Operating controls.

**QUESTION 2**

Using the relevant diagrams, explain briefly each of the following six terms and their strategic significance for a company:

- 1) Punctuated Equilibria
- 2) Mckinsey 7S model
- 3) Industry/Competency matrix
- 4) Triangle of Corporate Strategy
- 5) Vertical Taper Integration
- 6) Valley of Death

### QUESTION 3

Please answer **any 3** of the following four sub questions.

- a) Using the relevant diagram, explain the terms Corporate Strategy, Business Strategies, Country Strategies and Functional Strategies with their inter linkages for a company.

State and explain in detail the Tests and Premises for Corporate Strategy.

Explain briefly the four Concepts of Corporate Strategy and outline the circumstances under which each of these four Concepts of Corporate Strategy should be used by a company. Explain the strategic rationale for your answer.

Outline briefly the relative advantages and disadvantages of each of these four Concepts of Corporate Strategy. State and explain separately the pitfalls to be avoided for each of the 4 Concepts of Corporate Strategy.

- b) Using the relevant diagram, distinguish between Functional Strategies and Functional Policies of a company. Why are Functional Policies necessary for a Company? State and explain briefly the Tests for adequacy of a company's Functional Policies. Explain the strategic rationale for each of these Tests.

Outline briefly the objectives and strategic origins of a company's Research and Development (R&D) Policies. State and explain briefly any 5 R&D policy areas for a company. For any one R&D policy, illustrate how it is linked to the company's Finance & Accounts (F & A), Operations & Production, Marketing and Sales and Human Resource (HR) policies. Explain your strategic rationale.

- c) Distinguish between a Merger, an Acquisition and a Takeover. Explain briefly the terms Horizontal, Vertical and Related Acquisition. Explain briefly the strategic significance of each of these 3 types of Acquisitions and outline when a company uses each of the 3 types of Acquisitions.

Outline briefly any 7 reasons for a company's Acquisition strategies. Explain briefly any 7 challenges a company faces for its Acquisition. State and explain briefly the 7 key attributes required for a successful Acquisition.

- d) Explain the term Growth Outlier for a company and highlight any 5 parameters which are NOT relevant for a company's to be a growth outlier. Explain briefly the 2 key characteristics common for growth outliers. For each of these 2 characteristics outline separately their 5 essential strategies. Explain the strategic rationale for your answer.

-----**End of Paper**-----