

# K.J. SOMAIYA INSTITUTE OF MANAGEMENT STUDIES & RESEARCH

Program : PGDM -IB, 2017-19, Trimester VI

Course : International Business Strategy

Maximum Marks : 50

Time : 3 Hours

Date : 08/04/2019

## NEWELL COMPANY: CORPORATE STRATEGY

### Portfolio Composition

1. What kind of business portfolio was Newell trying to build? Describe the product, market and geographical dimensions of the business portfolio. Does the portfolio fit the strategy as described in Exhibit 2? [4]
2. How did “Calphalon” and “Rubbermaid” fit with the portfolio aspirations of Newell? Provide your justification based on product, market and geographical dimensions of the portfolio. [3]
3. What was Newell’s target market? What corporate initiatives allowed Newell to grow its competitive edge with its target market? [3]

### Diversification Strategy

4. Was the focus of the diversification strategy of Newell on vertical integration or horizontal expansion or both? Support your argument with examples. What was the strategic rationale for such a diversification strategy. [4]

### Internationalization Strategy

5. What was the strategic logic for Newell to globalize? Which countries did it choose to expand into and why? [3]
6. What entry mode did it take for globalization and why? [2]

### Acquisition and Integration Strategy

7. What were some of the common criteria for Newell to screen acquisition targets? How were these criteria linked to the Newell strategy? [6]
8. What was “Newellization”? Describe the key elements of “Newellization”. From which parts of the internal value chain would Newell seek synergies? What controls did Newell put in place for “Newellization”? [8]
9. What was the secret to Newell acquiring and integrating so many businesses successfully across various markets and geographies? [6]

### Divestment Strategy

10. What were the criteria for Newell to divest its businesses? How did Newell deal with the conflict between strategic fit vs financial performance? [3]

### Organizational Structure and Corporate Management

11. What type of organizational structure is in place at Newell? Is the structure suitable for Newell’s corporate strategy? Briefly justify your answer [4]
12. What kind of directions and administrative controls were put in place by Newell corporate to align all its businesses to the corporate goal? [4]