



CA INTERMEDIATE
SUBJECT- STRATEGIC MANAGEMENT

Test Code – CIM 8449

(Date :)

(Marks - 50)

TOPICS : Introduction to Strategic Management, Dynamics of Competitive Strategy, Strategic Management Process

QUESTION 1 (a)

(1*1 = 10 MARKS)

- Which of the following statements correctly explain strategic management?
 - Strategic management provides framework for major decisions.
 - Strategic management helps to enhance the longevity of the business.
 - Strategic management is an inexpensive process.
 - Strategic management helps organisation to be more reactive than proactive.

(a) (i) and (ii) (b) (i), (ii) and (iii)
(c) (i), (ii) and (iv) (d) (i), (iii) and (iv)
- Under BCG an SBU with products having little market share but in an attractive industry is referred to as:

(a) Cash cow. (b) Star. (c) Dog. (d) Question mark.
- The strategic management process is:
 - a solution that guarantees prevention of organizational failure.
 - concerned with a resources, capabilities, and competencies, but not the conditions in its external environment.
 - not to be used in the not-for-profit organisations.
 - full set of commitments, decisions, and actions related to the firm.
- _____ is a managerial process of selecting the best course of action out of several alternative courses for the purpose of accomplishment of the organizational goals.

(a) Strategy making (b) Decision making (c) Execution (d) Group discussion
- Mission:
 - is an internally-focused definition of the organization's societal goals.
 - is a statement of a firms unique purpose and scope of operations.
 - does not relate to the industry in which the firm intends to compete.
 - is developed by a firm before the firm develops its strategic intent.
- Which of the following is not true for core competency:
 - It distinguishes a company competitively.
 - It is a source of competitive advantage.
 - It is an individual skill and separate technique.
 - It is often visible in the form of organizational functions.
- _____ provides the framework within which the firm would adopt a predetermined direction and would operate to achieve strategic objectives.

(a) Strategic management (b) Strategic Intent
(c) Strategic mission (d) Strategic vision
- Which of the following statement is not true with regards to strategy?
 - Strategy reduces uncertainty.
 - Strategy is long range blueprint of desired position.
 - Strategy relates organisations to the external environment.
 - Strategy is perfect and flawless.

9. Statement that is typically focused on present business scope and broadly describes an organizations present capabilities, customer focus, activities, and business makeup is:
(a) Vision (b) Mission (c) Strategy (d) Goals
10. Select the major dimensions of strategic decisions from following :
(a) Requires top level management involvement (b) Future oriented
(c) Significant impact on long term prosperity (d) All of the above

QUESTION 2 (a)

(6 MARKS)

Shri Alok Kumar is having his own medium size factory in Aligarh manufacturing hardware consisting handles, hinges, tower bolts and so on. He has a staff of more than 220 in his organisation. One of the leading brand of Hardware seller in India is rebranding and selling the material from his factory. Shri Alok Kumar, believes in close supervision and takes all major and minor decisions in the organisation.

Do you think Shri Alok should take all decisions himself? What should be nature of decisions that should be taken by him.

QUESTION 2 (b)

(6 MARKS)

Strategic management helps an organization to work through changes in environment to gain competitive advantage. In light of statement **discuss its benefits.**

QUESTION 3 (a)

(4 MARKS)

How Ansoff's Product Market Growth Matrix is a useful tool for business organizations?

QUESTION 3 (b)

(4 MARKS)

The presence of strategic management cannot counter all hindrances and always achieve success for an organisation. **What are the limitations attached to strategic management?**

QUESTION 4 (a)

(6 MARKS)

With the help of a **model explain strategic management process.**

QUESTION 4 (b)

(6 MARKS)

Major core competencies are identified in three areas - competitor differentiation, customer value and application to other markets. **Discuss.**

QUESTION 5 (a)

(4 MARKS)

Yummy Foods and Tasty Foods are successfully competing in the business of ready to eat snacks in Patna. Yummy has been pioneer in introducing innovative products. These products will give them good sale. However, Tasty Foods will introduce similar products in reaction to the products introduced by the Yummy Foods taking away the advantage gained by the former.

Discuss the **strategic approach** of the two companies. **Which is superior?**

QUESTION 5 (b)

(4 MARKS)

Explain the **concept of experience curve** and highlight its **relevance in strategic management.**