



**IV Semester M.B.A. (Day) Degree Examination, June/July 2010  
(2007-08 Scheme)**

**4.1 : STRATEGIC MANAGEMENT**

Time : 3 Hours

Max. Marks : 75

**SECTION – A**

Answer **any six**, each carries **2** marks.

**(6×2=12)**

1. a) What is MBO ?
- b) What is strategy ?
- c) What do you mean by innovation ?
- d) Define focus strategy.
- e) What is cost-leadership strategy ?
- f) What is value change analysis ?
- g) Differentiate vision and mission ?
- h) What is service blue printing ?

**SECTION – B**

Answer **any three** questions. **Each** question carries **eight** marks.

**(3×8=24)**

2. Discuss the process of strategic control system.
3. What are the advantages and disadvantages of internal new ventures and acquisitions ?
4. How to implement strategic change ? Describe the steps in change.
5. Culture integrates the structural relationship and increase the productivity. Discuss.
6. Discuss the Five Force Model of strategic management.

P.T.O.



## SECTION – C

Answer **any two** questions, **each** question carries **12** marks. (2×12=24)

7. Scanning and micro and macro environmental factors help the strategy formulation. Discuss.
8. What key structural considerations must be incorporated into strategy implementation? Why does structural change often lag a change in strategy?
9. Explain the difference between implementation controls, strategic surveillance and special alerts. Give examples of each.

## SECTION – D

Case study (**Compulsory**) : (1×15=15)

10. Read the case and answer the questions.

**RASNA PRIVATE LIMITED**

Pioma Industries of Ahmedabad introduced non-carbonated soft drink with Rasna brand name during early 1970s. The soft drink was in a concentrate form which consisted of powder and liquid concentrate. Each pack used to contain one pouch of powder and one very small glass bottle filled with liquid concentrate. The users were required to mix the powder in water and sugar, and subsequently, the liquid concentrate. The soft drink was ready to use. Because of this process of preparing soft drink, the firm positioned Rasna as “do-it-yourself”.

Rasna captured the non-carbonated market very quickly because of two reasons. First, Rasna was quite cheap, price to consumers being 50 paise per glass. This price attracted lot of customers, particularly from middle class and lower-middle class families. Second, transportation of Rasna was much easier as compared to alternative non-carbonated soft drinks in the form of squashes and syrups which were packed in fragile glass bottles. Further, these soft drinks were positioned as high-end products.



Rasna introduced soft drink concentrates in a number of flavours like rose, mango, pineapple, lemon, orange, vanilla, cola, etc. When the business of the firm flourished, a company was incorporated in the name of Rasna Private Limited. Subsequently, the company entered the business of confectionery, bakery, ice-cream, and health drink. It also started exporting the products. Rasna also launched aerated fruit drink Oranjolt but it failed because of its short shelf life and the need for keeping it refrigerated 24 hours while most dealers in India switch off their refrigerators during night to save electricity cost.

**Questions :**

1. Discuss the nature of innovation of introducing soft drink concentrate and the competitive advantage it offered.
  2. In what way, should Rasna have gone for innovation in introducing Oranjolt ?
-