

**INDIAN MARITIME UNIVERSITY**  
**(A Central University, Govt. of India)**

MBA(International Transportation and Logistics Management) - Third Semester  
December 2015 End Semester Examinations

**Strategic Management**  
Subject Code: PG22T1304

Time : 3 hrs  
Date: 15.12.2015

Max.Marks :60  
Pass Marks: 30

**Section – A (MCQ)**

Answer all the questions (12x1Marks = 12 Marks)

1. Sustainable competitive advantage is
  - a. Outperforming competitors over a prolonged period of time
  - b. Underperformance relative to competitors in the industry
  - c. Performing firm is at same level like competitors
  - d. All the above.
  
2. Industry convergence means
  - a. Many industries use same raw material
  - b. Many industries use similar process
  - c. Unrelated industries begin to satisfy the same customer need
  - d. Means regular industry meets to analyse market needs
  
3. Mobility barriers indicate
  - a. Industry specific factors that separate one strategic group from another.
  - b. Industry specific factors that indicate customer segments.
  - c. Industry specific factors that separate one product from another.
  - d. Industry specific factors that separate one industry from another
  
4. Black swan events are
  - a. Incidents that describe highly probable and impact events
  - b. Incidents that describe unlikely events
  - c. Incidents that describe highly improbable but high impact events
  - d. All the above
  
5. Murphy's Law states
  - a. Virtual integration is better than vertical integration
  - b. Diversification is needed for growth of a firm
  - c. What can go wrong will go wrong
  - d. Mergers will help in growth of the firm

6. Restructuring involves
  - a. Divesting some businesses and acquiring others so as to put a new face on the company's Business line up
  - b. Divesting some businesses so as to put a new face on the company's business line up
  - c. Acquiring new businesses to put a new face on the company's business line up.
  - d. Related diversification
7. Stack holders are
  - a. The employees of the firm
  - b. Suppliers to the firm
  - c. Affected by the actions of the firm
  - d. Competitors to the firm.
8. Global standardization strategy
  - a. Attempts at maximizing local responsiveness
  - b. Attempts to achieve economies of scale and location economies
  - c. Attempts to combine local responsiveness and low cost strategy
  - d. Is the first attempt in entering international market
9. Artifacts
  - a. indicate whether organization is making profit
  - b. is an expression of organization culture
  - c. indicate their competitive strategy
  - d. indicate the type of organization structure followed
10. Strategic business unit
  - a. Is part of the company with different strategy
  - b. Is part of the company with same strategy
  - c. Division within a company which is a sufficiently distinct business to be treated separately for the purpose of strategic planning
  - d. Another division of the firm with different mission
11. Modular design indicates
  - a. Simple design which cannot be improved further
  - b. A design that subdivides a system into smaller parts that can be independently created and then used in different systems.
  - c. a design that subdivides a system into equal parts and each part can perform the desired output
  - d. Design approach which improves reliability
12. Realised strategy is the result of
  - a. Intended strategy and unrealised strategy
  - b. Intended strategy and emergent strategy
  - c. Unrealized strategy and emergent strategy
  - d. Intended strategy and values of the firm

**Section – B (200 Words)**

Answer any 5 out of 7 (5x4 Marks=20 Marks)

13. Explain the role of strategy in a firm's quest for competitive advantage
14. Describe the role of vision, mission and values in the strategic management process
15. Describe how managers become strategic leaders
16. What is the role of balanced score card? Explain its benefits.
17. What is the role of strategic alliances in corporate strategy formulation?
18. What is meant by core competency? Explain its essential features
19. What are the characteristics of effective control system?

**Section - C ( 500 Words, Case Study/ Essay Type)**

First question of the section is compulsory (1x7Marks=7Marks)

Answer any 3 out of 5 (3x7 Marks=21 Marks)

20. Analyze the following situation

WIKIPEDIA leverages technological innovation afforded by internet combined with a crowdsourcing approach to content development and maintenance. Beyond the technical challenges of web interfaces, servers and bandwidth for delivery is a sometimes overlooked capability, the Wikipedians themselves. Over 32 million people have registered accounts to contribute edits to Wikipedia. More than 300,000 users provide edits to the website at least once month. These volunteers build the content for the site using a creative commons license that ensures free access to any of the 500 million unique visitors each month. This crowdsourcing and its legal underpinnings are successful only as long as individuals are willing to spend their own time contributing to the site for no pay or other extrinsic benefits. The ability to attract and utilise legions of interested individuals is vital to the success of Wikipedia both today and into the future.

Moreover Wikipedia is a nonprofit free of advertising social entrepreneurship venture that is exclusively financed by donations. Wikipedia runs regular calls for donations using slogans such as

“Please help us feed the servers” and

“We are free, our bandwidth isn't”

Calls for donations also come in the form of personal appeals by co-founder Jimmy Wales. The question arises whether the donation model is sustainable given not only the increasing demand for Wikipedia's success but also the emergence of competitors

Wikipedia might not be as error prone in science topics as shown in the *Nature* study because most entries are not about science. Wikipedia maintains that it fosters a natural neutral point of view. A recent research study tested this claim. In particular study of 28000 articles about US politics revealed a significant bias. On average Wikipedia articles lean left of center. Initial entries arrive with a slant and change little over time. This bias is more pronounced in earlier Wikipedia articles. The authors call it vintage bias.

Although degree of slant in Wikipedia articles changes little over time more recent political entries are more balanced. one reason the authors put forth to explain the vintage effect is that in the early days of Wikipedia only technology enthusiasts and early adopters participated. And this demographic tends to lean left. The shift toward amore neutral point of view over the years has arisen from the growth of Wikipedia bringing in the early and late majority as contributors

Questions

- a. How can Wikipedia maintain and grow its ability to harness the crowdsourcing of Wikipedians to maintain high quality, (and quickly updated) content?
- b. As Wikipedia keeps growing do you think it can continue to rely exclusively on donations (in time and money) why or why not? What other "business mode "l could be considered? Would any of these violate the spirit of Wikipedia why or why not?
- c. Does a neutral point of view matter to Wikipedia's sustainability? Why or why not?

21 why environmental analysis is important in strategy formulation?

22 what is meant by strategic fit? How strategy formulation helps in creating strategic fit.

23 Indicate and briefly explain approaches available for a firm to enter into global market.

24 Explain how strategic leaders acquire, develop, and manage firm resources to create one or more competitive advantages

25 Outline how business models put strategy into action.

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