

SECTION – B: STRATEGIC MANAGEMENT

Time Allowed – 1½ Hours

Maximum Marks – 50

Question 1 and 2 are compulsory.

Attempt any **three** questions out of remaining **four** questions.

1. (A) In the wake of increasing incomes among salaried individuals and a surge in economic consumption, Anant Khanna, a 23-year-old graduate from IIT Mumbai, identified a lucrative market opportunity. He launched a digital credit payback platform named Money Mox, targeting the growing second-generation demographic.

Since its inception last year, the company has swiftly garnered a user base of approximately two million active customers. The availability of disruptive technology from earlier FinTech startups facilitated the establishment of the platform. Money Mox's concept is straightforward: create an exclusive community of high-income, high-spending individuals and incentivize their purchases through credit and debit card rewards.

The company recently made headlines, attracting the interest of global investors. Following this, early investor Josh Kattings met with the team and advised them not to merely mimic the approach of Batuya, a key competitor with a distinct business model, but rather to learn, enhance, and refine the process for customers.

Surprisingly, Josh also proposed a collaboration between Money Mox and Batuya for enhanced market penetration. However, Anant and his team hesitated, as they were dealing with their own infrastructure issues and were more inclined towards outperforming the competition rather than forming alliances at this stage.

Last month, the company publicly disclosed its revenue projections, which caught the attention of established players in the banking sector. CBZ Bank, at the forefront of this interest, extended an offer to purchase Money Mox for 50 crores, under a 100% equity arrangement. Anant and his team are yet to respond to this substantial offer from the well-established bank, underscoring how unique ideas are valued in developing economies like India.

Based on the above Case Scenario, answer the Multiple-Choice Questions which are as follows:

1. Which model has been thoughtfully considered while taking the decision to dive into FinTech market?
 - (a) BCG growth share matrix
 - (b) ADL matrix
 - (c) Stop-Light strategy model
 - (d) SWOT analysis

(1 Mark)
2. Money Mox's market strategy falls under which of Michael Porter's generic strategies?
 - (a) Cost leadership strategy
 - (b) Focused differentiation strategy
 - (c) Focused cost leadership
 - (d) Differentiation strategy

(1 Mark)

3. Which of the following may be true about the downsides of the plan to work along with Batuya, that Anant and team might have considered?
- (a) Trade secrets can be spilled out
 - (b) Ally may become a competitor
 - (c) There may be good sharing of skills and technology and thus the costs will rise
 - (d) Only A and B **(1 Mark)**
4. Which procedural approach was brought out in the investor meeting by Josh Kattings for a better market standing of Money Mox?
- (a) Business process re-engineering (BPR)
 - (b) Benchmarking
 - (c) Change management
 - (d) Strategy control **(1 Mark)**
5. CBZ Bank's offer to buy 100% equity of Money Mox is an example of?
- (a) Horizontal merger
 - (b) Concentric diversification
 - (c) Strategic alliance
 - (d) Co-generic merger **(1 Mark)**
- (B) XYZ Corporation is a multinational conglomerate operating in various industries. They have a diverse portfolio of businesses, including a leading consumer electronics division, a growing e-commerce platform, a mature industrial machinery division, and a newly established software development unit. Which division of XYZ Corporation would most likely be classified as a "Star" in the BCG Growth-Share Matrix?
- (a) Consumer Electronics Division
 - (b) E-commerce Platform
 - (c) Industrial Machinery Division
 - (d) Software Development Unit **(2 Marks)**
- (C) Mr. Prakash and Mr. Pal are partners in a thriving business venture. Recently, they have become aware of their employees' dissatisfaction with their working conditions. Mr. Prakash believes that the situation should be dealt with before the employees explode. Mr. Pal, on the other hand, believes that if the employees have an outburst, then they will handle it. Mr. Prakash and Mr. Pal business philosophy is:
- (a) Reactive, Proactive
 - (b) Reactive, Reactive
 - (c) Proactive, Proactive
 - (d) Proactive, Reactive **(2 Marks)**
- (D) TechNo Solutions, a dynamic tech company, is considering a shift in its organizational structure to enhance efficiency. The management team is evaluating various strategies and decided to virtually eliminate in-house business functions. Which of the following organizational structures is TechNo Solutions shifting towards?

- (a) Network Structure
 - (b) Matrix structure
 - (c) Hourglass Structure
 - (d) SBU Structure **(2 Marks)**
- (E) ABC Fashion provides early access and exclusive designs to its exclusive clientele, emphasizing personalized experiences. Which marketing type does this exemplify?
- (a) Augmented marketing
 - (b) Service marketing
 - (c) Person marketing
 - (d) Relationship marketing **(2 Marks)**
- (F) Who ensures that the right materials are available at the right place, at the right time, of the right quality, and at the right cost?
- (a) Marketing management
 - (b) R & D management
 - (c) Supply chain management
 - (d) Logistics management **(1 Mark)**
- (G) What is one of the key purposes of having an organizational mission?
- (a) Ensuring unanimity of purpose within the organization.
 - (b) Setting short-term operational goals.
 - (c) Providing a basis for marketing strategies.
 - (d) Specifying financial forecasts. **(1 Mark)**
2. "XYZ Ltd., a multi-product company, has been experiencing consistent losses in recent years, leading to a significant erosion of its net worth. What strategic options should the management consider addressing the company's current situation? Provide recommendations along with supporting reasons." **(5 Marks)**
3. (a) Define Strategic Management. Also discuss the limitations of Strategic Management. **(5 Marks)**
(b) Describe the principal aspects of strategy-execution process, which are included in most situations. **(5 Marks)**
4. (a) "A well designed strategic management system can fail if insufficient attention is given to the human resource dimension." ·Elucidate this statement. **(5 Marks)**
(b) Woodworld Ltd. is a company manufactures a variety of household furniture items. They offered traditional designs, low cost furniture items to low income group customers. During the last couple of years, the company has been observing a fall in the market share. This is due to the change in the taste and preferences, designing, better quality, increase in purchasing power of buyers towards the household furniture. The customers are switching away traditional designs and material that have been the backbone of Woodworld Ltd.
As a CEO of Woodworld Ltd., what can be the strategic options available with you. **(5 Marks)**

- 5 (a) Rajiv Arya is owner of an electrical appliance company that specializes in manufacturing of domestic vacuum cleaners. There are four other manufacturers with similar products and sales volume. Current rival firms also own a number of patents related to the product. The supplier base for procurement of raw material is also very large as there are multiple suppliers.

Identify Porter's Five Forces that may be classified as significant for the company? Explain.

(5 Marks)

- (b) What is strategic control? Briefly explain the different types of strategic control? **(5 Marks)**
- 6 (a) 'A strategy-supportive culture promotes good strategy execution.' Explain. **(5 Marks)**
- (b) Differentiation between Strategic Planning and Operational Planning. **(5 Marks)**