



BRAINWARE UNIVERSITY

Term End Examination 2018 - 19

Programme –Master of Business Administration

Course Name – Corporate Strategy

Course Code - MBA205

(Semester –2)

Time allotted: 3 Hours

Full Marks : 70

[The figure in the margin indicates full marks. Candidates are required to give their answers in their own words as far as practicable.]

Group –A

(Multiple Choice Type Question)

10 x 1 = 10

1. *Choose the correct alternative from the following*
 - (i) Shareholders of Reliance petroleum were offered one share of Reliance Industries for every 11 shares held by them in Reliance petroleum, when reliance industries and reliance petroleum came together for _____ (fill in the blank)
 - a. Merger
 - b. Acquisitions
 - c. Alliance
 - d. Joint Ventures
 - (ii) If Microsoft wants to learn first-hand about what consumers want and how they buy. What should Microsoft do?
 - a. Backward integration
 - b. Forward integration
 - c. Horizontal integration
 - d. None of these
 - (iii) If product "A" fails, new products "B" and "C" may do well and make up for the loss. This is an example of;
 - a. Financial consideration
 - b. Market share
 - c. Business growth
 - d. Risk protection
 - (iv) The Aditya Birla Group is in a variety of unrelated business such as aluminium, business process outsourcing, carbon black, cement, chemicals, copper fertilizers, gas, insulators, mining, retail, software, sponge iron, telecom and textiles. Select the suitable alternative which represent the given example;
 - a. Diversified Expansion
 - b. Integration
 - c. Concentric or related Diversification
 - d. Conglomerate or Unrelated Diversification
 - (v) Which one is the support activity in Porter’s Generic Value Chain
 - a. Operations
 - b. Marketing & Sales
 - c. Firm Infrastructure
 - d. Service

- (vi) Which one is the advantage of vertical integration?
- a. It reduces flexibility
 - b. It isn't a cheap investment
 - c. It opens new markets
 - d. It isn't simple
- (vii) Coca-Cola decided in the early 1980s to acquire its way into the wine business. However, it failed due to overlooking one critical component for success. Which one is the critical component?
- a. Distribution network
 - b. Knowledge of the wine business
 - c. Sales force
 - d. Manufacturing infrastructure
- (viii) "Keeping track of so many suppliers is onerous," says Mark Shimelonis, formerly of Xerox. His statement instigating towards;
- a. Backward integration
 - b. Forward integration
 - c. Horizontal integration
 - d. None of these
- (ix) A leasing firm offering hire- purchase service to institutional customers also start consumer financing for purchase of durables to individual customers. Which type of concentric diversification is exemplified;
- a. Marketing – related concentric diversification
 - b. Technology – related concentric diversification
 - c. Marketing – and technology related Concentric diversification
 - d. None of these
- (x) In addressing to question of where to compete, under competitive positioning, a firm has to look into;
- a. Financial structure
 - b. Core processes
 - c. Channels
 - d. Organization structure

Group – B

(Short Answer Type Questions)

3 x 5 = 15

Answer any *three* from the following

2. Explain different stakeholders for corporate governance. 5
3. Critically explain the philosophy of Chanakya in deducing corporate governance in India? 5
4. Discuss main features of Joint ventures 5
5. Cite examples of integration strategy. 5
6. When managers consider whether or not to diversify, they should ask themselves the few questions; mention those questions? 5

Group – C

(Long Answer Type Questions)

3 x 15 = 45

Answer any *three* from the following

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|-----|-----|--|----|
| 7. | (a) | Draw porter’s generic value chain | 7 |
| | (b) | When and how can diversification create value? | 8 |
| 8. | (a) | What are the benefits and costs of hierarchy? | 5 |
| | (b) | All the strategies carry their own risks. What could be the interpretation of the statement? | 10 |
| 9. | (a) | What is concentric diversification? | 5 |
| | (b) | What are the different types of concentric diversification? Explain with examples. | 10 |
| 10. | (a) | What is strategy? | 5 |
| | (b) | Whether strategy and corporate strategy are different? | 10 |
| 11. | (a) | How do you determine the optimal boundaries of the firm? | 5 |
| | (b) | Why do firms vertically integrate? | 3 |
| | (c) | What is a conglomerate? | 2 |
| | (d) | How does conglomerate differ from other types of firms? | 5 |
