

Plot No. 2, Knowledge Park-III, Greater Noida (U.P.) –201306

PGDM/PGDM (General) -2021-23
END TERM EXAMINATION (TERM -IV)

Subject Name: **Strategic Management**Time: **02.30 hrs**Sub. Code: **PG44**Max Marks: **40****Note:**

All questions are compulsory. Section A carries 5 marks: 5 questions of 1 mark each, Section B carries 21 marks having 3 questions (with internal choice question in each) of 7 marks each and Section C carries 14 marks one Case Study having 2 questions of 7 marks each.

SECTION - A

Attempt all questions. All questions are compulsory.

1×5 = 5 Marks**Q. 1 (A):** Examine ‘cost leadership’ as a generic strategy with a suitable example.**Q. 1 (B):** Differentiate between Vision and Mission of a Firm with a hypothetical example**Q. 1 (C):** List two important recent changes in the remote environment of Indian business.**Q. 1 (D):** Examine ‘core competence’, taking an example of a firm.**Q. 1 (E):** Distinguish between tangible and intangible resources with examples**SECTION - B**

All questions are compulsory (Each question has an internal choice. Attempt any one (either A or B) from the internal choice)

7 x 3 = 21 Marks**Q. 2: A.** Demonstrate the contribution of Mintzberg’s concept of 5 Ps for strategic thinking with appropriate examples.**Or****Q. 2: B.** Interpret the different levels of strategy for a multiple business firm with suitable examples.**Q. 3: A.** Explain the three types of intensive strategies. Give examples and guidelines when each one is strategically appropriate.**Or****Q. 3: B.** Discuss the ideal strategy for a question mark in the BCG matrix. Illustrate with an example of a firm you have read about.**Q. 4: A.** “Firms must continually innovate to stay ahead of the competition. Blue Ocean Strategy is one way that innovation can capture new markets”. Find a key trend from the general environment and develop a blue ocean strategy that might capitalize on that trend.**Or****Q. 4: B.** Examine the 4 types of innovations and give 2 examples of incremental innovation.**SECTION - C**

Read the case and answer the questions

7×02 = 14 Marks**Q. 5: Case Study: Walmart’s Failure in Germany**

Wal-Mart Stores, Inc. is the largest retailer in the world, the world’s second-largest company and the nation’s largest non-governmental employer. Wal-Mart Stores, Inc. operates retail stores in various retailing formats in all 50 states in the United States. The Company’s mass merchandising operations serve its customers primarily through the operation of three segments. The Wal-Mart

Stores segment includes its discount stores, Supercenters, and Neighborhood Markets in the United States. The Sam's club segment includes the warehouse membership clubs in the United States. The Company's subsidiary, McLane Company, Inc. provides products and distribution services to retail industry and institutional foodservice customers. Wal-Mart serves customers and members more than 200 million times per week at more than 8,416 retail units under 53 different banners in 15 countries. With fiscal year 2010 sales of \$405 billion, Wal-Mart employs more than 2.1 million associates worldwide. Nearly 75% of its stores are in the United States, but Wal-Mart is expanding internationally. The Group is engaged in the operations of retail stores located in all 50 states of the United States, Argentina, Brazil, Canada, Japan, Puerto Rico and the United Kingdom, Central America, Chile, Mexico, India and China.

Wal-Mart's initial entry into German market was through the acquisitions of renowned 21 store Wertkauf chain for an estimated \$1.04 billion in December 1997. It was followed one year later by the acquisition of Interspar's 74 hypermarkets from Spar Handels AG, the German unit of the French Intermarche Group, for ,-560 million. Thus Wal-Mart immediately became the country's fourth biggest operator of hypermarkets. However, with a turnover of around ,-2.9 billion, and a stagnating market share of just 1.1 per cent, the US giant still was a negligible one in the German retail market. Even worse, with estimated accumulated losses of more than ,-1 billion, it is literally drowning in red ink although, according to Wal-Mart Germany's CEO, Kay Hafner, its non-food assortment, which accounts for around 50 per cent of its revenues, is profitable. Instead of expanding its network of stores by 50 units by early 2001, as originally planned, the company has been forced to close two big outlets; while at the same time it was only able to fully remodel three locations into its flagship Super center format. Due to its problems the company also had to lay off around 1,000 staff. On July 2006, Wal-Mart announced its official defeat in Germany and would sell its 85 German stores to the rival supermarket chain Metro and would book a pre-tax loss of about \$1 billion (£536 million) on the failed venture.

Question

Q. 5: (A). Examine the 2 main reasons which led to the failure of Walmart in Germany.

Q. 5: (B). Relate the importance of the Strategy-culture relationship in the context of this case.

Mapping of Questions with Course Learning Outcome

| Question Number | COs | Bloom's Taxonomy Level | Marks Allocated |
|-----------------|-----|------------------------|-----------------|
| Q. 1: | CO2 | L4 | 5 marks |
| Q. 2: | CO1 | L3 | 7 marks |
| Q. 3: | CO3 | L2 | 7 marks |
| Q. 4: | CO5 | L4 | 7 marks |
| Q. 5: | CO4 | L4 | 14 marks |

Note: Font: Times New Roman, Font size: 12.