



**INDIAN INSTITUTE OF MATERIALS MANAGEMENT**

**Post Graduate Diploma in Materials Management**

**Dec 2012**

**Graduate Diploma in Materials Management**

**Paper 9  
Strategic Management**

**Date : 12.12.2012**

**Max. Marks :100**

**Time : 10.00a.m. to 1.00 p.m.**

**Duration : 3 Hrs.**

**Instructions:**

1. Part A – Contains 4 main questions which are compulsory. Each question carries **8 marks**.
  2. Part B – Answer any 3 questions out of 5 questions. Each question carries **16 marks**.
  3. Part C is compulsory and it is a case study carrying **20 marks**.
- 

**PART - A**

**Q.1 : Expand The Following Terms :**

**8 Marks .**

- |        |        |        |        |
|--------|--------|--------|--------|
| 1. SAP | 2. LBO | 3. FFM | 4. VCA |
| 5. SEC | 6. BSC | 7. NGO | 8. SBU |

**Q.2 : Link and Connect the Following Correctly .**

**8 Marks .**

- |                              |   |
|------------------------------|---|
| i Objectives and Goals       | a Toyatos Lean Production System .                |
| ii Motivation                | b Matrix Design .                                 |
| iii Mission Statements       | c Vern Mc Ginnis.                                 |
| iv Cellular Manufacturing    | d 7 – S Frame Work.                               |
| v Organization Structure     | e Time bound and work oriented.                   |
| vi Value Chain Analysis      | f Michael Porter : 1985                           |
| vii Just – in - Time         | g Translate efforts in to successful performance. |
| viii Strategy Implementation | H Japanese Management Practice .                  |

**Q.3 : - Fill in the BLANKS with appropriate word .**

**8 Marks .**

1. Strategy is a set of .....made to meet objectives of the organisation.  
(a)Key Actions ,                      ( b) Key Decisions .                      ( c) Key Planning
2. In strategic decision making , Industrial Organisation Approach is based on .....  
(a) Economic Theory . ( b) Socio-economic Theory . ( c) Political Theory .
3. A Good Mission Statement reflects the anticipation of .....  
(a) Products .                      ( b) Market .                      ( c) Customers .
4. Environmental Scanning provides early warnings for managers of changing .....  
(a) Political Conditions .( b) External Conditions .( c) Geographical Conditions.
5. If two or more organisations dissolve their identity to create a new firm , it is called .....  
(a) Acquisition.      (b) Take – over      ( c) Consolidation.
6. Benchmarking is an important tool in building .....  
(a) Competitive Advantage                      (b) Products and Processes .  
(c) Organizational Strength .
7. Organisations perform more effectively when then implement strategy with most appropriate .....  
(a) Plant and Machinery.      (b) Organisation Structure .      (c) Staffing Pattern.
8. .... is a disciplined process that requires both - Top-down support and Bottom-up Participation.  
(a) Production Management . ( b) Marketing Management .  
(c) Strategic Management .

**Q. 4 : State following statements , whether TRUE or FALSE . 8 Marks**

1. Cost leadership is valuable if buyers are not Price Sensitive .
2. Mergers do not enable firms to combine their resources and effects .
3. Strategic decisions have long term effects on firms – whether better or worse .
4. Strategic Management Techniques can be viewed as Bottom-up , Top-down or Collaborative Process .
5. Focus Strategy works best when other rivals are concentrating on the same target.
6. The Mission guides the operations of the firm by providing directions and sense of purpose .
7. In Evaluation , Quantitative Factors do not influence Strategic Choice .
8. Liquidation Strategy is to be followed as “ Last Resort ” .

### **PART - B**

**( Answer Any Three )**

**16 x 3 = 48 Marks**

- Q. 5** : What is Competitive Advantage ? Discuss which strategic routes are used to build or acquire strategic competitive advantage by the firms .
- Q. 6** : What do you mean by – Operations Management ? What are the Key Issues in designing operations management system for any organization.
- Q. 7** : “ Mergers can take place in two different ways – Acquisition and Consolidation ”  
- Analyze the statement and state the various types of mergers.
- Q. 8** : What is Environmental Scanning ? Discuss the various Objectives and Methods of Environmental Scanning .
- Q. 9** : Explain – “ Strategic Decision Making ”. State the fundamentals of and various Components of Good Decision Making .

## **PART - C [ Compulsory ]**

**Que – 10 :**

**CASE STUDY**

**20 - Marks**

Recently the Govt . of India has taken a Strategic Decision of permitting FDI in Retail Market with the say that there will be healthy competition in Retail Market , Farmers will get good rates for their agriculture produce , Exploitation by middle men will be minimized and overall Consumers will have more options and will be benefitted by getting the goods at fare rates.

Local Producers and Traders are worried for the future of trading firms as they feel that it will be difficult for them to stand and survive against foreign International Marketing players like Wall -Mart etc. Option is with respective State Govt. – whether they should allow the FDI in respective States or not ?

As a consultant and business advisor for Retail Trader's Association what is your analysis and approach towards .....

- a. Your analysis of GOI's strategy of permitting FDI in retail market in India .
- b. Its possible impact on - Existing Local Traders and Retailers, on local Producers and Farmers .
- c. Will Consumers be benefitted by entry of FDI in Retail Marketing ? How ?
- d. What will be its impact on local SSI Units / Producers . Will they stand as far as Quality and Price of their products in consumer segments are concerned .
- e. What strategic changes in business approach will you suggest to Local Producers & Trading Firms in order to face the competition in near future ?

.....