



MBA(IB)IV/05.14.0349

**MBA (INTERNATIONAL BUSINESS) DEGREE IV SEMESTER EXAMINATION
MAY 2014**

**SMI 2401 INTERNATIONAL STRATEGIC MANAGEMENT
(Supplementary-2011 Admission)**

Time: 3 Hours

Maximum Marks: 50

(5 × 10 = 50)

- I. What is strategic decision making? Explain the process of strategic management. Point out limitations of the concept of strategy.
OR
- II. What is the rationale behind performing SWOT analysis? How can a SWOT analysis help in shortlisting strategic alternatives at the corporate level?
- III. Explain the portfolio analysis and how it is useful in strategic management.
OR
- IV. How does strategy affect structure? How is a product based structure different from a customer based structure?
- V. What is the basic nature of strategy evaluation? How is strategy evaluation important for organisations.
OR
- VI. Explain four areas of operational effectiveness. What difficulty do managers face in choosing operational implementation practices? How can this difficulty be minimized?
- VII. Explain various measures of strategic control, how these measures differ for various industries. Explain with an example.
OR
- VIII. Explain the management strategy of multinational companies. What difference in strategies management you can highlight across countries.

(P.T.O.)

IX. Case:

Dr. Sukumar inherited his father's Dey's Lab in Delhi in 1995. Till 2002, he owned 4 labs in the National Capital Region (NCR). His ambition was to turn it into a national chain. The number increased to 7 in 2003 across the country, including the acquisition of Platinum lab in Mumbai. The number is likely to go to 50 within 2-3 years from 21 at present. Infusion of ₹28 crores for a 26% stake by Pharma capital has its growth strategy. The lab with a revenue of ₹75 crores is among top three pathological labs in India with Atlantic (₹77 crores) and Pacific (₹55 crores). Yet its market share is only 2% of ₹3,500 crores market. The top 3 firms command only 6% as against 40-45% by their counterparts in the USA. There are about 20,000 to 1,00,000 stand-alone labs engaged in routine pathological business in India, with no system of mandatory licensing and registration. That is why Dr. Sukumar has not gone for acquisition or joint ventures. He does not find many existing laboratories meeting quality standards. His six labs have been accredited nationally whereon many large hospitals have not thought of accreditation; the College of American pathologists accreditation of Dey's lab would help it to reach clients outside India. In Dey's Lab, the bio-chemistry and blood testing equipment's are sanitized every day. The bar coding and automated registration of patients do not allow any identity mix-ups. Even routine tests are conducted with highly sophisticated systems. Technical expertise enables them to carry out 1650 variety of tests. Same day reports are available for samples reaching by 3 pm and by 7 am next day for samples from 500 collection centres located across the country. Their technicians work round the clock, unlike competitors. Home services for collection and reporting is also available. There is a huge unutilized capacity. Now it is trying to top other segments. 20% of its total business comes through its main laboratory which acts as a reference lab for many leading hospitals. New mega labs are being built to encash preclinical and multi-center clinical trials within India and provide postgraduate training to the pathologists.

- (i) What do you understand by the term vision? What is the difference between 'Vision' and 'Mission'? What vision Dr. Sukumar had at the time of inheritance of Dey's Lab? Has it been achieved?
- (ii) For growth what business strategy has been adopted by Dr. Sukumar?
- (iii) What is the marketing strategy of Dr. Sukumar to overtake its competitors?
- (iv) In your opinion what could be the biggest weakness in Dr. Sukumar's business strategy?
