

EASTERN UNIVERSITY, SRI LANKA

Faculty of Commerce and Management

Final Year /First Semester Examination in Bachelor of Business Administration

Honours 2021/22 (February 2024)

Proper/Repeat

MGT 4013 Strategic Management

Answer all five (5) questions

Time: 03 hours

Q1) Read the following case and answer the questions given below.

Dey's Lab in Delhi

Family owned business 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 Rs. 28 crores for a 26% stake by Pharma Capital has its growth strategy. The lab with a revenue of Rs. 75 crores is among top three Pathological labs in India with Atlantic (Rs. 77 crores) and Pacific (Rs. 55 crores). Yet its market share is only 2% of Rs. 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 equipments are sanitised 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 p.m. and by 7 a.m. 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 unutilised 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-centre clinical trials within India and provide postgraduate training to the pathologists.

Questions:

- I. What vision Dr. Sukumar had at the time of inheritance of Dey's Lab ? Has it been achieved? Discuss. (06 Marks)
- II. Discuss the growth strategy that has been adopted by Dr. Sukumar? (06 Marks)
- III. What in your opinion could be the biggest weakness in Dr. Sukumar's business strategy? (06 Marks)

(Total 18 Marks)

- Q2)
- I. In strategic management, the **Ten Schools of Thought model** by Henry Mintzberg is a framework that explains approaches of defining a strategy. List out the ten schools of Strategic Management and describe about two schools. (06 Marks)
 - II. Why is it important to understand the difference between **intended** and **realized strategies**? (06 Marks)
 - III. The **external environmental analysis process** should be conducted on a continuous basis. This process includes four activities. List out and describe about those activities? (06 Marks)
 - IV. What are the four criteria that are identified under The **Resource-Based View (RBV)** for sustainable advantage, briefly describe them with appropriate examples. (06 Marks)

(Total 24 Marks)

- Q3)
- I. Distinguish between **mission, vision and objectives**. Explain the importance of these components in an organization. (06 Marks)

II. **The BCG (Growth-Share) Matrix** is old but has stood the test of time. How significant and practicably usable is it today, in the light of vast developments in management tools that help assess market conditions? (07 Marks)

III. Explain the eight strategies in the **strategy clock** that are identified as business strategies and describe about their successes and failures. (07 Marks)

(Total 20 Marks)

Q4) I. Describe the contribution of the **Internal-External (IE) Matrix** in the **strategy choice** and prescribe the strategies for each cell. (06 Marks)

II. The **strategic management process** encompasses three phases which together involve a number of systematic steps. Explain this with a Strategic Management Model which is familiar to you. (06 Marks)

III. What are the differences among **Retrenchment, Divesture and Liquidation**. (04 Marks)

(Total 16 Marks)

Q5) I. What are the different **types of controls** that are available for an organization and state the role of **Balanced Scorecard**? (06 Marks)

II. **Building a capable organization** is very essential activity for strategy implementation. Briefly highlight the activities involved in building a capable organization. (05 Marks)

III. What is the difference between a **tangible** and an **intangible** resource or capability? (05 Marks)

(05 Marks)

IV How can **value chain** and **value system** build up competitive advantages for an organization, describe their rationality. (06 Marks)

(Total 22 Marks)