

End Semester Examinations - 2015-16 MBA Trimester - May 2016

14MS3017 Strategy, Governance and Ethics

Set A

Time : 3 hrs
Total Marks: 100

1. Distinguish between long-range planning and strategic planning.
OR
2. Elaborate “Vision-Based” or “Goal-Based” model of Strategic Planning.
3. What are the key components of Strategic Analysis? Explain.
OR
4. Explain with suitable examples the McKinsey’s 7 S Framework.
5. Discuss BCG Matrix with suitable examples.
OR
6. What are the factors that affect the strategic choice of corporates?
7. Describe in detail the “Control Model” governance chain.
OR
8. Argue the various issues in Corporate Governance.
9. 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 standalone 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 pathologist’s 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 p.m. and by 7 a.m. next day for samples from 500 collection centers 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.

Questions:

- (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? (5 Marks)
- (ii) For growth what business strategy has been adopted by Dr. Sukumar? (5 Marks)
- (iii) What is the marketing strategy of Dr. Sukumar to overtake its competitors? (5 Marks)
- (iv) In your opinion what could be the biggest weakness in Dr. Sukumar’s business strategy? (5 Marks)

