

Online PGDM

Second Year, Trimester IV, June 2024

Course : STRATEGIC RISK MANAGEMENT

MAX TIME : 2 Hrs Max Marks : 70

*Instructions for Students :Part A is of 20 Marks , Part B is of 10 Marks and Part C is of 40 Marks .*

*Attempt all Parts .*

*Give illustrations of real Life Corporates in Part C*

---

**Section A : Objective Type Questions**

Max.Marks-20

**Tick the Right answer { 1 X20} =20 Marks**

1. Strategy is \_\_\_\_\_.

- (i) Completely Proactive & Completely Reactive
- (ii) Partly Proactive & Partly Reactive
- (iii) Neither Proactive Nor Reactive
- (iv) Proactive Only

2. What does Dog symbolize in BCG matrix?

- (i) Introduction
- (ii) Growth
- (iii) Maturity
- (iv) Decline

3. Which is a managerial process of selecting best course of action out of several alternative courses for purpose of accomplishment of organization goals?

- i) Decision Making
- ii) Strategy Implementation
- iii) Programming
- iv) Monitoring strategy

4. Which is the foundation of blue ocean strategy

- i) Innovation
- ii) Value creation
- iii) Value innovation
- iv) Value cost Trade Off

5. Which one is not in Michael Porter Model ?

- i) Potential development of substitute products
- ii) Bargaining power of suppliers
- iii) Rivalry among stockholder
- iv) Rivalry among competing firms

6. The Strategic Management Process is :

- i) a set of activities that will assure a temporary advantage and average returns for the firm.
- ii) a decision-making activity concerned with a firm's internal resources, capabilities, and competencies, independent of the conditions in its external environment.
- iii) a process directed by top-management with input from other stakeholders that seeks to achieve above-average returns for investors through effective use of the organization's resources.
- iv) the full set of commitments, decisions, and actions required for the firm to achieve above-average returns and strategic competitiveness.

7. Which is not a Market Entry Mode

- i) Licencing
- ii) Franchising
- iii ) Overseas Sales Subsidiary
- iv) Importing

8. Innovation strategy is

- (i) defensive strategy
- (ii) offensive strategy
- (iii) responding to anticipating customers and market demands
- (iv ) harvesting strategy

9. Strategic Financial analysis is concerned with stating the position of the organisation in terms of:

- (i) Mission, choice of market segments, product selection, financial targets, external appraisal
- (ii) Mission, goals, corporate appraisal, position audit and gap analysis
- (iii) Mission goals, identification of key competitors, SWOT and environmental appraisal
- (iv ) Mission, manpower planning, position audit

10. . Which of the following analyses 'products and businesses by market share and market growth'?

- (i) SWOT Analysis
- (ii) BCG Matrix
- (iii) PEST Analysis
- (iv ) Portfolio Analysis

11. Which one of the following is NOT the benefit of a Vision?

- (i) It helps in the creation of common identity and a shared sense of purpose.
- (ii) It fosters risk taking and experimentation.

- (iii) It fosters short-term thinking
- (iv ) It represents integrity

12. Corporate Strategy is concerned with where a firm competes, i.e. the scope of its activities. Which is not a dimensions of scope :

- (i) Geographical Scope
- (ii) Product scope
- (iii) Vertical Scope
- (iv ) Diagonal Scope

13. Which one is not a strategic alliance :

- (i) Merger
- (ii) Joint Venture
- (iii) Joint Marketing Campaign
- (iv ) Cooperative Product Development

14. Which is Not a Non Equity alliance:

- (i) Franchising (common in services, Subway, McDonald).
- (ii) Licensing (common in manufacturing, beer brewing)
- (iii) Long-term subcontracting (in supplying parts for autos)
- (iv) Short term subcontracting ( auto Industry )

15. Joint Ventures are a good way to internationalise as foreign partners are needed to :

- (i) Surmount tariff barriers and import quotas
- (ii) Offer local knowledge about Market conditions, Customs and cultural factors, Customer buying habits and Access to distribution outlets
- (iii) Geopolitical Reasons
- (iv ) Both ( i) and (ii)

16. The risks of investors can be \_\_\_\_\_ through adequate transparency and disclosures.

- i) Enhance
- ii) Increased
- iii) Minimized
- iv) Maximized

17. VMOSA stands for :

- i) Vision , Mission , Objective , Strategy , Action Plan
- ii) Vision, Mission , Observations, Synergy , Action Plan
- iii) Vision, Mission , Objectives, System , Achievables
- iv) Vision, Mission , Objectives, Synergy , Area of Expertise

18. What are Ansoff's four corporate strategy directions?

- i) Market penetration, market development, product development, diversification
- ii) Market penetration, market development, product development, expansion
- iii) Market penetration, market development, product development, innovation
- iv) Market penetration, market consolidation, product development, diversification

19. Which is not a Recommendation for Risk Management in TESLA Inc.:

- i) Mass Production of Renewable Energy Batteries to reduce Production delays
- ii) Opening more fully Independent subsidiaries to counter International Operations and Market Risks
- iii) Develop a vibrant Risk Management Plan
- iv) Sourcing for Very expensive Products to avoid customers buying decisions

20. The benefit-cost ratio (BCR) is an indicator showing the relationship between the relative costs and benefits of a proposed project, expressed in monetary or qualitative terms.

- i) If a project has a BCR greater than 1.0, the project is expected to deliver a positive net present value to a firm and its investors.
- ii) If a project has a BCR greater than 1.0, the project is expected to deliver negative net present value to a firm and its investors.
- iii) If a project's BCR is less than 1.0, the project's costs outweigh the benefits, and it should be considered.
- iv) If a project's BCR is less than 1.0, the project's costs outweigh the benefits, and it should be considered.

**Section B : Subjective Type Questions (Short Answer Questions)**

Max. Marks-10

**Answer any Two ( 2 ) short Notes : { 5 X2 = 10 }**

- (i) Describe any Four (4) Takeover Defense Strategies by Corporates
- (ii) List the salient cardinal Features Of Basel III in Risk Management in Indian Banks . Elaborate Terms : ALCO , LCR , CCB , CASA .
- (iii) Differentiate between SWOT Analysis vs TOWS Matrix stating the strategies in TOWS .

**Section C : Subjective Type Questions (Long Answer Questions)**

Max.Marks-40

**Answer any Four ( 4 ) of the Following : { 10X4=40 Marks }**

Write Elaborate Notes On **any Four(4)** of the Following . Substantiate with suitable examples from the Real world .

- (i) Current Trends in Strategic Management and Risk Analysis in Organizations
  - (ii) Technology-Based Industries and Management of Innovation
  - (iii) Risk Management in Corporates / Banks
  - (iv) Mergers & Acquisitions as a Part of Corporate strategy Describe the Acquisition Process Which is better–Greenfield or acquisition?
  - (v) What are Strategic Alliances? Why Do Firms Enter Strategic Alliances? State the different Nonequity and Equity examples giving Examples from Real world
-