

Online PGDM

Second Year, Trimester IV, Sep 2024

Course Name: Strategic Risk Management

Max Marks : 70

Course Code: 4109

Duration: 2 Hrs

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. The strategic management process is :

- (i) Set of activities that are guaranteed to prevent organizational failure.
- (ii) A process that is concerned with a firm's resources, capabilities, and competencies, but not the conditions in its external environment.
- (iii) A set of activities which has not been used successfully in the not-for-profit sector.
- (iv) A dynamic process involving the full set of commitments, decisions, and actions related to the firm.

2. Cash cows in the BCG matrix symbolizes:

- (i) Invest
- (ii) Stable
- (iii) Liquidate
- (iv) Remain diversified

3. Which is the foundation of blue ocean strategy

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

4. . 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.

5. In the TOWS Matrix :

- (i) SO is aggressive and Maxi- Maxi Strategies
- (ii) SO is Mini Maxi strategy and is conservative
- (iii) SO is conservative and Maxi – Maxi strategies
- (iv) SO is Defensive strategy and Maxi- Maxi Strategies

6. What does Red symbol signify in BCG matrix :

- (i) Invest & Expand
- (ii) Harvest & Earn
- (iii) Harvest & Divest
- (iv) Select & Earn

7. This is not anti-takeover defence:

- (i) Poison pill
- (ii) Golden parachute
- (iii) Greenmail
- (iv) Red mail

8. 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

9. Which one is not a strategic alliance :

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

10. 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)

11. 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

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

- i) Mass Production of Renewal 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

13. Which is not a Correct Statement for Silicon Valley Bank (SVB) :

- (i) Silicon Valley Bank was hit hard by the downturn in technology stocks over the past year as well as the Federal Reserve's aggressive plan to increase interest rates to combat inflation.
- (ii) The bank bought billions of dollars worth of bonds over the past couple of years, using customers' deposits as a typical bank would normally operate.
- (iii) These investments are not safe at all, but the value of those investments rise because they paid higher interest rates than what a comparable bond would pay if issued in today's higher interest rate environment.
- (iv) Typically that's not an issue, because banks hold onto those for a long time unless they have to sell them in an emergency

14. Which is not a part of the Integrated Risk Monitoring and Control in Corporates :

- (i) Appropriate Organisational structure
- (ii) Adoption of a Comprehensive Risk measurement approach
- (iii) No Risk rating system
- (iv) Adoption of risk Management policies, consistent with broader business strategy

15. A joint venture may not be adopted due to the following reasons:

- (i) When a company wishes to launch its business in the international market but lacks capital and human resource.

- (ii) When a business believes that working with a local partner will be helpful.
- (iii) When a company seeks to benefit from the existing distribution network of the local partner of importing country.
- (iv) When a company seeks to benefit from the new distribution network of the local partner of importing country.

16. Which is not a guideline for Successful Internal New Venturing :

- (i) Understand and base new ventures on R&D.
- (ii) No funding given for research to business unit managers who can narrow down and then select the best set of research projects.
- (iii) Working with R&D scientists to continually develop and improve the business model and strategies.
- (iv) Fostering links between R&D and marketing to increase the commercial success of the new product.

17. Which is not a key factor in Strategic Alliance Risk :

- (i) Hold Up : Exploit the Investments
- (ii) Perfect representation in contract clauses
- (iii) Breach of Trust
- (iv) Operating Clauses and Governance in Contract

18. Low cost, focus and differentiation are examples of:

- (i) Corporate strategies
- (ii) Operational strategies
- (iii) Business strategies
- (iv) Functional strategies

19. A good strategic plan should take into account which of the following markets?

- (i) Local country Market
- (ii) International Markets
- (iii) Regional markets
- (iv) Local and Internal markets

20. The goal of the organization's is to capture the hearts and minds of employees, challenge them, and evoke their emotions and dreams.

- (i) Vision
- (ii) Mission
- (iii) Culture
- (iv) Strategy

Section B : Subjective Type Questions (Short Answer Questions)

Max. Marks-10

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

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

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) A differentiation strategy calls for the development of a product or service that offers unique attributes that are valued by customers and that customers perceive to be better than or different from the products of the competition. Substantiate with Michael Porter Model
 - (ii) Current Trends in Strategic Management and Risk Analysis in Organizations
 - (iii) Technology-Based Industries and Management of Innovation
 - (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
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