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- Elected as Convenor of The Jalna CA CPE Chapter of WIRC of ICAI For 2 consecutive years 20-21 & 21-22.
- He Has Successfully Completed & Qualified Following Certificate Course Conducted By ICAI
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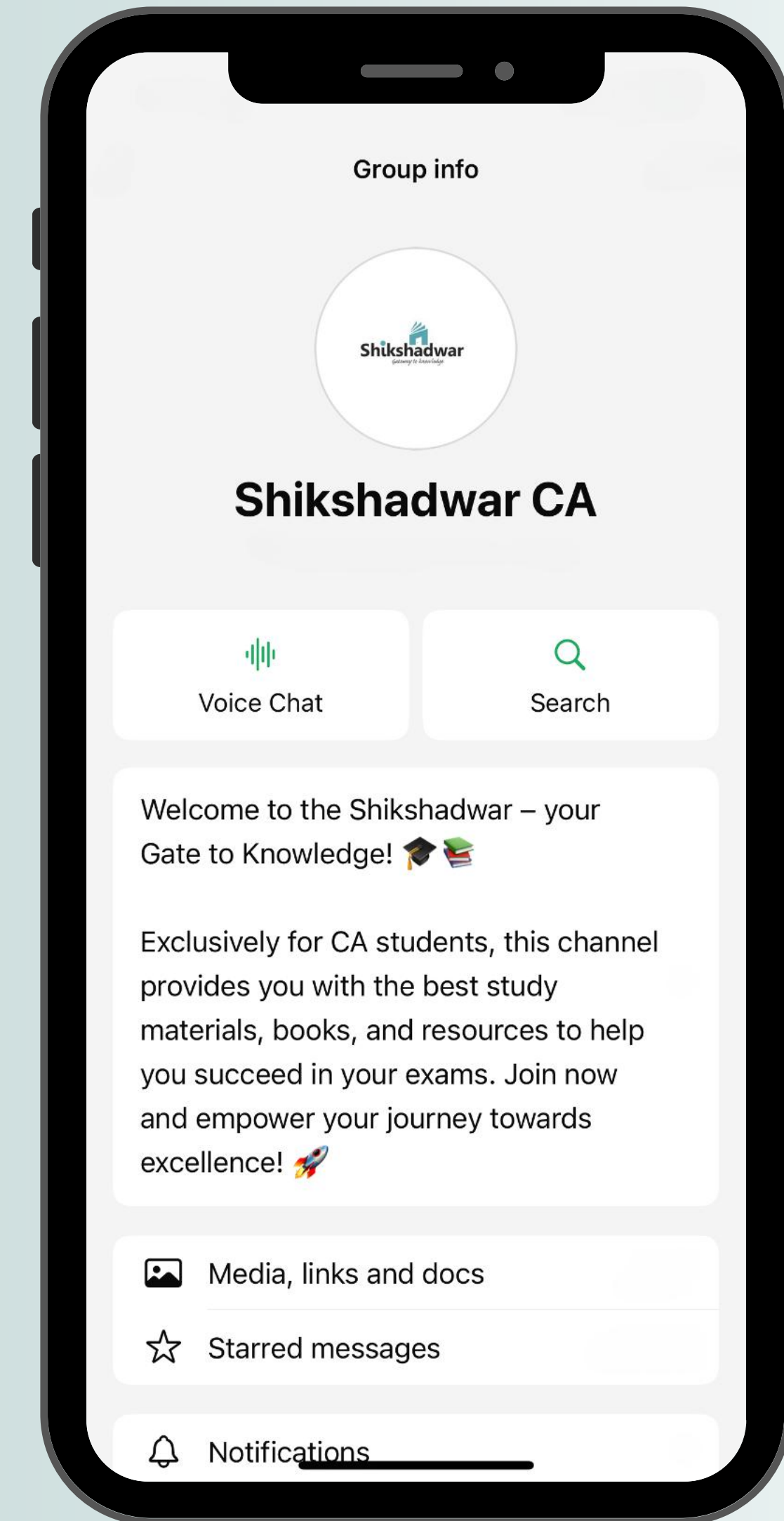
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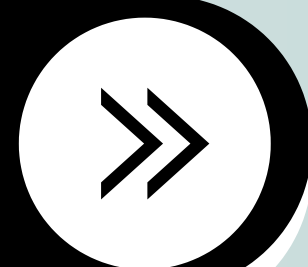
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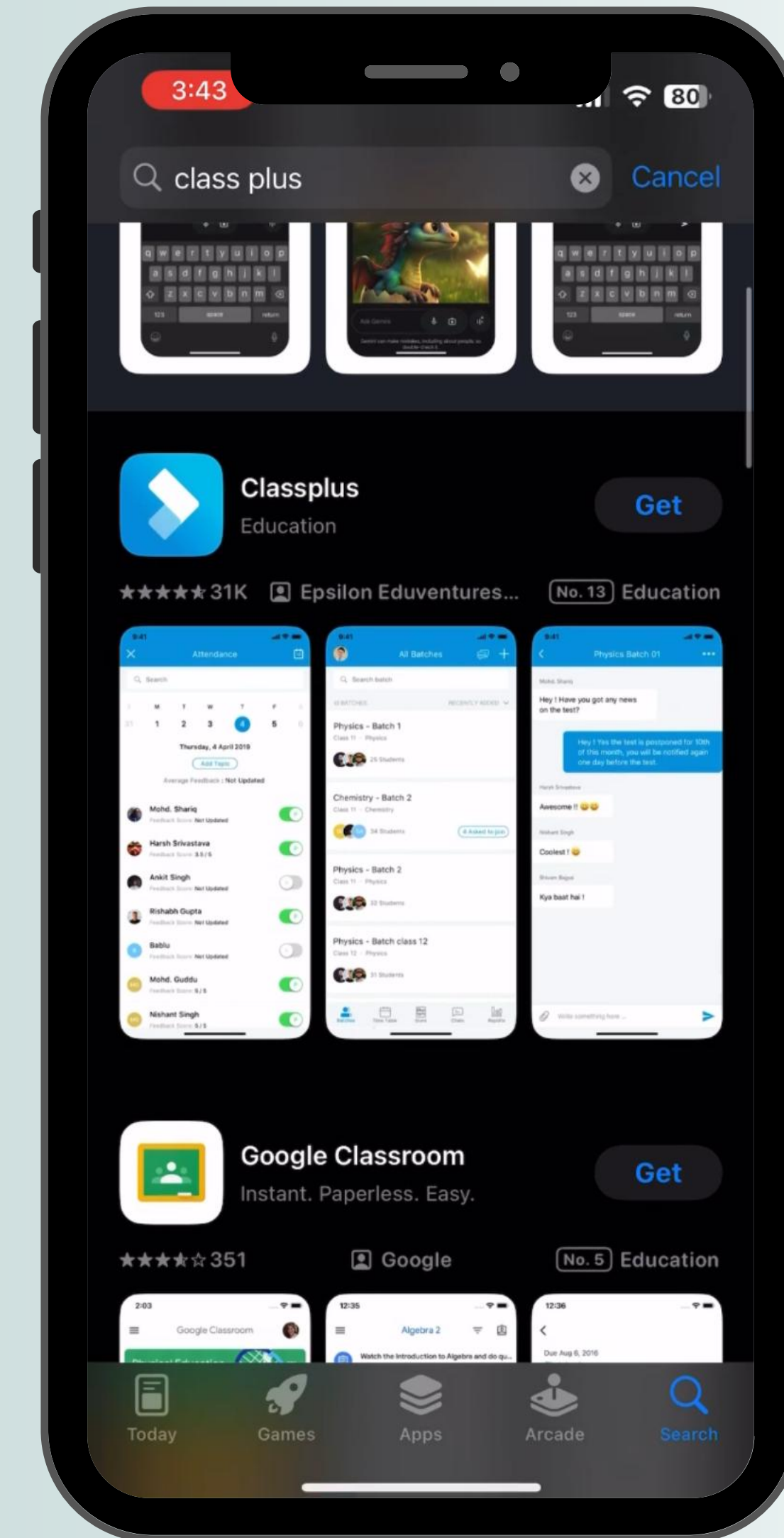
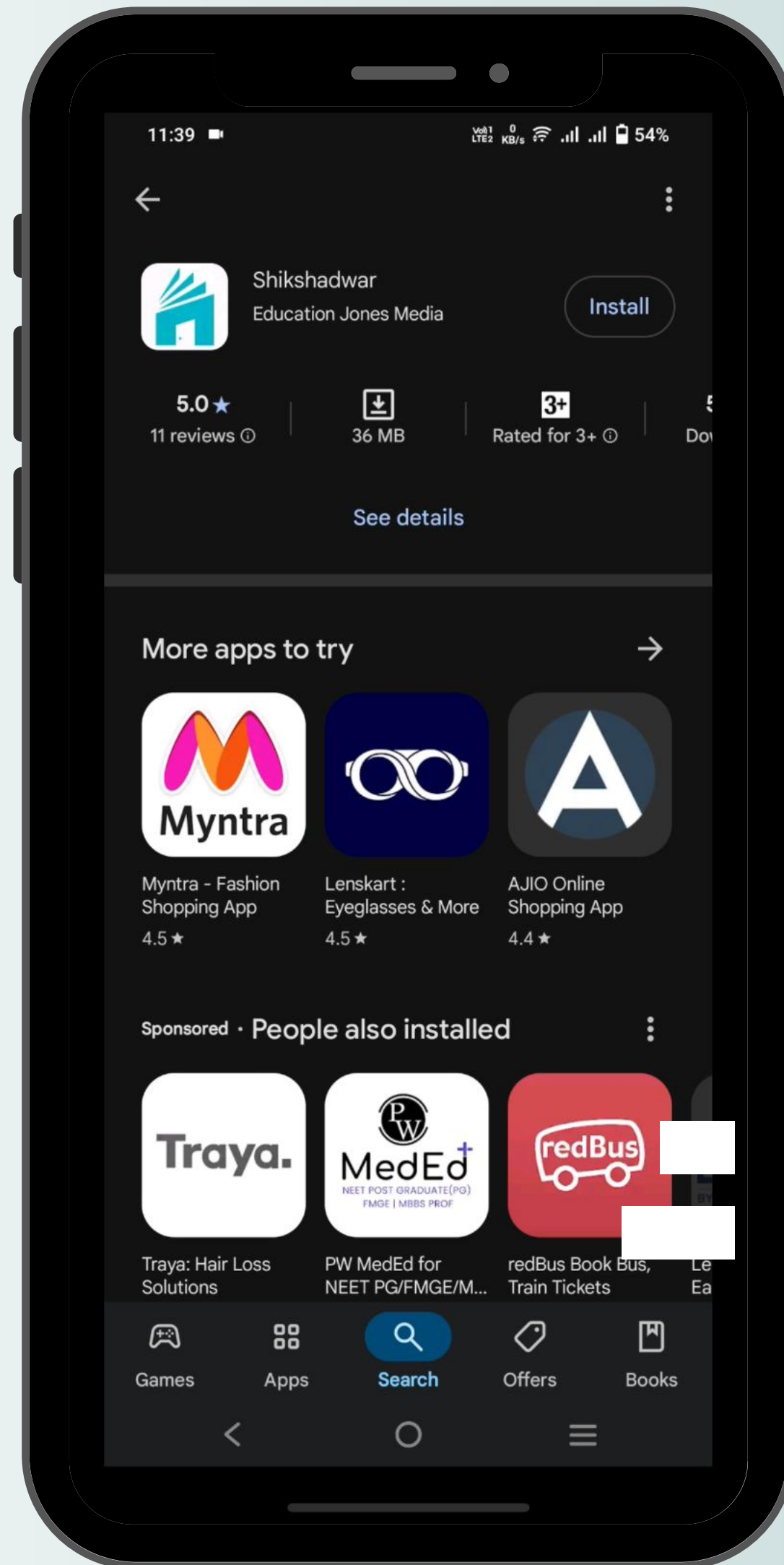
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# CA INTERMEDIATE MAY 25

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RRR - Result Oriented Rapid Revision

Most Imp Questions



One Shot MCQ's Marathon

Super Chart Revision









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# CA INTERMEDIATE MAY 25

## Marathons Schedule With Links

DATE	TIME	EDUCATOR	SUBJECT	TOPICS	YOUTUBE LINK
17/4/2025	8.00 AM	CA ADARSH JOSHI	LAW	RRR	
18/4/2025	12.00 NOON	CA TUSHAR TAPARIA	GST	RRR	
19/4/2025	8.00 AM	CA CS DARSHAN JAIN	FM	RRR	
20/4/2025	8.00 AM	CA ADARSH JOSHI	LAW	ONE SHOT MCQ MARATHON	
21/4/2025	2.00 PM	CA TUSHAR TAPARIA	GST	GST AMENDMENTS & ITS IMPORTANT QUESTIONS	
23/4/2025	8.00 AM	CA CS DARSHAN JAIN	FM	ONE SHOT MCQ MARATHON	

DATE	TIME	EDUCATOR	SUBJECT	TOPICS	YOUTUBE LINK
24/4/2025	2.00 PM	CA TUSHAR TAPARIA	DT	DT AMENDMENTS & ITS IMPORTANT QUESTIONS	
27/4/2025	8.00 AM	CA CS DARSHAN JAIN	SM	ONE SHOT MCQ MARATHON	
4/5/2025	8.00 AM	CA ADARSH JOSHI	LAW	MOST IMPORTANT QUESTIONS	
6/5/2025	3.00 PM	CA TUSHAR TAPARIA	TAXATION	20-20	
12/5/2025	8.00 AM	CA CS DARSHAN JAIN	FM	20-20	
13/5/2025	8.00 AM	CA CS DARSHAN JAIN	SM	SUPER CHART REVISION	

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# **INTRODUCTION TO STRATEGIC MANAGEMENT**

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**RTP/MTP/PYP**

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# QUE 1 (SM/RTP NOV 18/MTP NOV 21 S1/MTP MAY 23 S2)

Yummy Foods and Tasty Foods are successfully competing in the business of ready to eat snacks in Patna. Yummy has been pioneer in introducing innovative products. These products will give them good sale. However, Tasty Foods will introduce similar products in reaction to the products introduced by the Yummy Foods taking away the advantage gained by the former.

Discuss the strategic approach of the two companies. Which is superior?

## ANSWER:

Yummy foods is **proactive** in its approach. On the other hand, Tasty Food is **reactive**.

1. Proactive strategy is planned strategy whereas reactive strategy is adaptive reaction to changing circumstances.
2. A company's strategy is typically a blend of proactive actions on the part of managers to improve the company's market position and financial performance and reactions to unanticipated developments and fresh market conditions.
3. If organizational resources permit, it is better to be proactive rather than reactive. Being proactive in aspects such as introducing new products will give you advantage in the mind of customers.
4. At the same time, crafting a strategy involves stitching together a proactive/intended strategy and then adapting first one piece and then another as circumstances surrounding the company's situation change or better options emerge-a reactive/adaptive strategy. This aspect can be accomplished by Yummy Foods.

## QUE 2 (SM/RTP NOV 19/RTP NOV 20)

Ramesh Sharma has fifteen stores selling consumer durables in Delhi Region. Four of these stores were opened in last three years. He believes in managing strategically and enjoyed significant sales of refrigerator, televisions, washing machines, air conditioners and like till four years back. With shift to the purchases to online stores, the sales of his stores came down to about seventy per cent in last four years.

Analyse the position of Ramesh Sharma in light of limitations of strategic management.

## ANSWER:

Ramesh Sharma is facing declining sales on account of large-scale shift of customers to online stores. While he is using the tools of strategic management, they cannot counter all hindrances and always achieve success. There are limitations attached to strategic management as follows:

1. Environment under which strategies are made is highly complex and turbulent - Entry of online stores, a new kind of competitor brought a different dimension to selling consumer durables. Online stores with their size power could control the market and offer stiff competition to traditional stores.
2. Another limitation of strategic management is that it is difficult to predict how things will shape-up in future. Ramesh Sharma, although managing strategically failed to see how online stores will impact the sales.
3. Although, strategic management is a time-consuming process, he should continue to manage strategically. The challenging times require more efforts on his part.
4. Strategic management is costly. Ramesh Sharma may consider engaging experts to find out preferences of the customers and attune his strategies to better serve them in a customized manner. Such customized offerings may be difficult to match by the online stores. The stores owned by Ramesh Sharma are much smaller than online stores. It is very difficult for him to visualize how online stores will be moving strategically.

## QUE 3 (SM/RTP MAY 21)

Dharam Singh, the procurement department head of Cyclix, a mountain biking equipment company, was recently promoted to look after sales department along with procurement department. His seniors at the corporate level have always liked his way of leadership and are assured that he would ensure the implementation of policies and strategies to the best of his capacity, but have never involved him in decision making for the company.

Do you think this is the right approach? Validate your answer with logical reasoning around management levels and decision making.

## ANSWER:

1. Functional managers provide most of the information that makes it possible for business and corporate level managers to formulate realistic and attainable strategies.
2. This is so because functional managers like Dharam Singh are closer to the customer than the typical general manager is. A functional manager may generate important ideas that subsequently may become major strategies for the company. Thus, it is important for general managers to listen closely to the ideas of their functional managers and involve them in decision making.
3. An equally great responsibility for managers at the operational level is strategy implementation: the execution of corporate and business level plans, and if they are involved in formulation, the clarity of thoughts while implementation can benefit too.
4. Thus, the approach of Cylcix Corporate management is not right. They should involve Dharam Singh, as well as other functional managers too in strategic management.

# QUE 4

(SM/PYP JAN 21/ RTP NOV 18/RTP NOV 21/RTP MAY 22/ MTP MAY 19 S2 , MTP NOV 22 S2/MTP NOV 23 ,

ABC Limited is in a wide range of businesses which include apparels, lifestyle products, furniture, real estate and electrical products. The company is looking to hire a suitable Chief Executive Officer. Consider yourself as the HR consultant for ABC limited. You have been assigned the task to enlist the activities involved with the role of the Chief Executive Officer. Name the strategic level that this role belongs to and enlist the activities associated with it.

Or

Mr. Mehta sharing with his friend in an informal discussion that he has to move very cautiously in his organization as the decisions taken by him has organisation wide impact and involves large commitments of resources. He also said that his decisions decide the future of his organisation. Where will you place Mr. Mehta in the organizational hierarchy and explain his role in the organization

Or

In your view, what is the role of corporate level managers in strategic management?

Or

Enumerate the task to be performed as a strategic manager of a company.

Or

ABC Ltd. currently sells its product in two major markets - Europe and Asia. While it is a market leader in Europe, ABC Ltd. has struggled to penetrate the more competitive Asian market. ABC Ltd. hired a strategic consultant to analyze the situation and submit his report to them. After the report received from the strategic consultant, it has therefore decided to pull out of Asia entirely and focus on its European markets only. This decision relates to which level in ABC Ltd. and explain the role of managers at this level in the organization

## ANSWER:

The role of Chief Executive Officer pertains to corporate level.

The corporate level of management consists of the Chief Executive Officer (CEO) and other top-level executives. These individuals occupy the apex of decision making within the organization.

### **The role of Chief Executive Officer is to:**

1. Defining the mission and goals of the organization
2. Determining what business, it should be in
3. Allocating resources among the different businesses
4. Formulating and implementing strategies that span individual businesses
5. Providing leadership for the organization
6. Ensuring that the corporate and business level strategies which company pursues are consistent with maximizing shareholders wealth; and
7. Managing the divestment and acquisition process.

## QUE 5 (SM/RTP NOV 19/RTP NOV 20)

Mr Raj has been hired as a CEO by XYZ Ltd a FMCG company that has diversified into affordable cosmetics. The company intends to launch Feelgood brand of cosmetics. XYZ wishes to enrich the lives of people with its products that are good for skin and are produced in ecologically beneficial manner using herbal ingredients. Draft vision and mission statement that may be formulated by Raj.

## ANSWER:

Feelgood brand of cosmetics may have following vision and mission:

### Vision:

Vision implies the blueprint of the company's future position. It describes where the organisation wants to land. Mr. Raj should aim to position "Feelgood cosmetics" as India's beauty care company. It may have vision to be India's largest beauty care company that improves looks, give extraordinary feeling and bring happiness to people.

### Mission:

Mission delineates the firm's business, its goals and ways to reach the goals. It explains the reason for the existence of the firm in the society. It is designed to help potential shareholders and investors understand the purpose of the company:

Mr. Raj may identify mission in the following lines:

- To be in the business of cosmetics to enhance the lives of people, give them confidence to lead.
- To protect skin from harmful elements in environment and sun rays.
- To produce herbal cosmetics using natural ingredients.

## QUE 6

(SM/PYP NOV 21/PYP MAY 24/RTP NOV 18/RTP NOV 19/RTP NOV 22/RTP MAY 23/  
MTP MAY 18 S1/MTP NOV 18 S1/MTP NOV 20 S1/MTP NOV 21 S2/MTP MAY 24)

Elvis Global is a famous OTT platform facing fierce competition from its competitors amid changing consumer preferences. This made it difficult to retain customers as the existing television channels are also launching their own platforms. The company has appointed Raghav to lead the company forward as the sales and marketing manager. Raghav needs to design creative and innovative advertising campaigns to gain a competitive edge, engage the public and capture the market.

Identify the strategic level that represents Raghav's role at Elvis Global.

As a strategic advisor, highlight the various benefits of strategic management in overcoming different challenges to Raghav.

Or

Organizations sustain prior performance over a long period of time, in spite of the rapid changes taking place continually in its competitive environment if they implement strategic management successfully. Discuss.

Or

"Each organization must build its competitive advantage keeping in mind the business warfare. This can be done by following the process of strategic management." Considering this statement, explain major benefits of strategic management.

Or

Briefly explain the importance of strategic management

## ANSWER:

Business organizations function with dynamic environment, the environment may vary from being conducive to hostile. Whatever be the conditions, implementation of strategic management is very important for the survival and growth of business organizations. Strategy implementation helps in improving the competence with which it is executed and helps organizations to sustain superior performance in following manner:

1. Strategic management helps organizations to define its goals & Mission.
2. strategic management helps organization to develop core competencies and competitive advantages
3. Strategic management helps organizations to be more proactive rather than reactive.
4. Strategic management provides better guidance to entire organizations on the crucial point-what it is trying to do . Thus it provides framework for all major decisions of an organizations
5. Strategic management facilitates to prepare the organizations to face the future & helps Organizations to identify the available opportunities and identify ways and means as how to reach them
6. It serves as a corporate defense mechanism against mistakes and pitfalls
7. Strategic management helps to enhance the longevity of business

## QUE 7 (PYP JULY 21)

'ALBELA' Foods and 'JustBE' Foods are successfully competing chain of restaurants in India. ALBELA' s are known for their innovative approach, which has resulted in good revenues. On the other hand, JustBE is slow in responding to environmental change. The initial stages of Covid-19 pandemic and the ensuing strict lockdown had an adverse impact on both the companies. Realizing its severity and future consequences ALBELA Foods immediately chalked out its post lockdown strategies, which include initiatives like:

- a) Contactless dining
- b) New category of foods in the menu for boosting immunity
- c) Improving safety measures and hygiene standards
- d) Introducing online food delivery app

Seeing the positive buzz around these measures taken by ALBELA Food, JustBE Foods also thinks to introduce these measures.

- i. Identify the strategic approach taken by 'ALBELA' Foods and 'JustBE' Foods.
- ii. Discuss these strategic approach.
- iii. Which strategic approach is better and why?

## ANSWER:

1. 'ALBELA' foods is proactive in its approach. On the other hand, 'JustBE' foods is reactive in its approach.
2. Proactive strategy is planned strategy. While continuing with the previously initiated business approaches that are working well, the newly launched managerial initiatives aim to strengthen the company's overall position and performance. These are outcomes of management's analysis and strategic thinking about the company's situation and its conclusions about the positioning of the company in the marketplace. If done well, it helps the company to effectively compete for buyer patronage.
3. Reactive strategy is an adaptive reaction to changing circumstances. It is not always possible for a company to fully anticipate or plan for changes in the market. There is also a need to adapt strategy as new learnings emerge about which pieces of strategy are working well and which aren't. By itself also, the management may hit upon new ideas for improving the current strategy.
4. In reference to the given case, proactive strategy seems to be better because ALBELA foods had been able to utilise available opportunities, reduce adverse impact, enhance the demand for product and is also able to avail the first mover advantage.

## QUE 8 (PYP NOV 23)

Swagatam was a chain of hotels. The business was good until the whole nation was impacted by COVID-19 pandemic in early 2022. The management soon understood that pandemic had seriously disrupted the hotel sector and average revenue-per-available room fell by nearly 90% and they expected this decline to continue due to travel bans and fear seen in the society. Pandemic required 14-day compulsory quarantine for the affected individuals and hospitals were short of rooms. Management found a small opportunity as they had sufficient rooms, staff and could follow required health and safety standards. They decided to do service transformation by letting some of their units to hospitals to be transformed into covid-care units & rest of the units were rented to individuals as a quarantine facility.

- a) Name the strategic level of management at which such decisions are made. **(1 Mark)**
- b) The above scenario depicts one of the limitations of strategic management. Discuss which limitation of strategic management is depicted here. **(2 Marks)**
- c) Here the decision taken by the management was reactive. Discuss the benefit of proactive approach over reactive approach. **(2 Marks)**

## ANSWER:

1. The strategic level of management at which decisions like transforming hotel units into COVID-care units and quarantine facilities are made is at the "Corporate Level." This level of management is responsible for making decisions that affect the overall direction and scope of the entire organization.
2. The given scenario highlights a limitation of strategic management known as highly complex and turbulent environment. Due to this, there exist environmental uncertainty and unpredictability of the external factors that affect an organization. In this case, the COVID-19 pandemic created a highly uncertain and unpredictable business environment for Swagatam Hotels. The pandemic significantly impacted the hotel sector, causing a rapid decline in revenue and necessitating a strategic shift to adapt to the changing circumstances.
3. A proactive approach involves anticipating and addressing issues before they become critical, while a reactive approach responds to problems after they have occurred. In the scenario, the decision to transform hotel units into COVID-care units and quarantine facilities was reactive, driven by the unexpected impact of the pandemic.

### A proactive approach offers several benefits.-

- a) it allows for better risk management by identifying potential challenges in advance, enabling organizations to develop contingency plans.
- b) proactive strategies often result in cost savings as preventive measures can be more efficient than addressing crises retroactively.
- c) organizations can maintain a competitive edge by staying ahead of industry trends and changes.

Overall, a proactive approach enhances organizational strength and responsiveness in navigating uncertainties.

## QUE 9 (RTP NOV 23)

Falguni, CFO of Warships Advertisement Agency, stated that strategic management helps the organisation to develop certain core competencies and competitive advantages that facilitate management in the turbulent environment. Do you agree, if yes, then what and how does it facilitate in?

## ANSWER:

Yes, strategic management plays a crucial role in an organization's survival and growth, particularly in a turbulent environment. It provides the framework for developing and leveraging core competencies and competitive advantages that enable the organization to not only withstand challenges but also seize opportunities for expansion and success.

### Survival:

In a turbulent environment characterized by rapid changes, uncertainties, and challenges, strategic management helps an organization adapt and respond effectively. By developing core competencies and competitive advantages, an organization becomes better equipped to navigate unexpected disruptions and stay relevant in the market.

### Growth:

Strategic management goes beyond survival. It enables an organization to identify opportunities, innovate, and create value for its customers. By leveraging core competencies and competitive advantages, the organization can capture market share, expand its offerings, and achieve sustained growth.

# QUE 10 (RTP NOV 23/RTP MAY 24/MTP NOV 23 S1/)

ABC Pharmaceuticals, a leading pharmaceutical company, is in the process of formulating its strategic intent. The top management of ABC Pharmaceuticals wants to define the company's future direction, objectives, and goals. They aim is to create a vision that sets the organization apart and provides a roadmap for future growth. ABC Pharmaceuticals aspires to enrich the lives of people by producing high-quality pharmaceutical products at competitive prices and wants to become the world's leading pharmaceutical company by 2030." Based on this context, draft a vision and mission statement that could be formulated by the top management of ABC Pharmaceuticals.

## ANSWER:

ABC Pharmaceuticals may have following vision and mission:

### Vision:

Vision implies the blueprint of the company's future position. It describes where the organisation wants to land. ABC Pharmaceuticals may have vision "To be the globally recognized leader in pharmaceutical innovation and enriching the lives of people worldwide by providing high-quality, affordable, and accessible pharmaceutical products."

### Mission:

Mission delineates the firm's business, its goals and ways to reach the goals. It explains the reason for the existence of the firm in the society. It is designed to help potential shareholders and investors understand the purpose of the company.

ABC Pharmaceuticals may identify mission in the following lines:

- To improve the well-being of individuals and communities by relentlessly pursuing excellence in pharmaceutical research, development, and manufacturing.
- Committed to producing safe, effective, and sustainable medicines that address unmet medical needs and enhance the quality of life for patients.
- Through innovation, collaboration, and ethical practices, we aim to make a positive impact on global healthcare and become the trusted partner of healthcare providers and patients alike.

## QUE 11 (MTP MAY 21 S2)

Kamal Sweets Corner, a very popular sweets shop in Ranchi, was facing tough competition from branded stores of packaged sweets and imported goods. The owners realised that their business reduced by 50% in the last six months, and this created a stressful business environment for them. To find a solution, they consulted a business consultant in practice to help them develop a strategy to fight competition and sustain their century old family business. The business consultant advised them to innovate a new snack for the public and market it as a traditional snack of the region. The owners liked the idea and developed a new snack called Dahi Samosa, which very quickly became popular amongst the public and it helped regain the lost business of Kamal Sweets Corner.

One of the very crucial importance of strategic management was used by the business consultant to help the owners of Kamal Sweets Corner. Which one could it be? Also, was this strategy Reactive or Proactive? According to you which is more beneficial in general parlance?

## ANSWER:

1. The strategy used here was of developing a competitive advantage via product which helped Kamal Sweets Corner regain their lost business. This is also one of the major importance cum advantage of Strategic Management, that is helps to **develop core competencies and competitive advantages** to overcome competition.
2. This strategy was a **Reactive Strategy**. Wherein, the owners saw their business fall to 50% of revenue and then seeking a strategic advisory. They did not plan proactively as to when the new shops were already opening. They reacted only when the business started to lose up.
3. Generally, it is always beneficial to develop strategies proactively, so that the dip in businesses is small and manageable, and even if they are huge, the management has ample time to fix it.

## QUE 12 (MTP MAY 24)

Swati is the marketing manager at a software company. She is responsible for developing and implementing marketing strategies for the company's products. Swati leads a team of marketing professionals and works closely with the product development and sales teams to ensure that the company's products are effectively promoted in the market. She also analyzes market trends and customer feedback to refine the marketing strategies. Which level is she working at, discuss the roles and responsibilities of this level in organization?

## ANSWER:

1. Swati operates at the functional level of management, specifically as the marketing manager at a software company. Functional managers like Swati oversee specific departments or functions within an organization, such as marketing, finance, or operations. Their primary responsibilities include implementing corporate strategies and policies within their area of expertise and ensuring that daily operations are conducted efficiently and effectively.
2. In Swati's case, as a marketing manager, her role involves developing and executing marketing strategies for the company's products. This includes leading a team of marketing professionals, collaborating with product development and sales teams, and analyzing market trends and customer feedback to refine strategies. By working closely with these teams, Swati ensures that the company's products are effectively promoted in the market and that marketing efforts align with overall business goals.
3. Functional managers like Swati play a critical role in the organization by bridging the gap between corporate strategy and daily operations. They are responsible for translating high-level strategic goals into actionable plans for their departments and ensuring that these plans are executed effectively. Additionally, they are often key decision-makers within their areas of responsibility, making strategic choices that impact on the company's success. Overall, Swati's role as a marketing manager exemplifies the importance of functional managers in driving the success of their organizations.

## QUE 13 (MTP MAY 24)

Imagine you are a strategic consultant advising a retail company that is facing increasing competition from online retailers. The company is considering several strategic options to improve its market position.

Using the concept that strategy is partly proactive and partly reactive, explain how the company can develop a strategic approach to address this challenge.

## ANSWER:

The retail company can develop a strategic approach that is both proactive and reactive to address the challenge of increasing competition from online retailers. To achieve this, the company can:

- 1. Proactive Strategy:** The company can proactively analyze market trends and customer preferences to identify opportunities for growth.  
For example, it can invest in market research to understand what customers value in a retail experience and tailor its offerings to meet those needs. This proactive approach can help the company stay ahead of competitors and attract new customers.
- 2. Reactive Strategy:** In addition to proactive measures, the company should also be prepared to react to changes in the market environment.  
For example, if a competitor launches a new online shopping platform, the company should quickly assess the impact on its business and develop a response. This reactive strategy can help the company adapt to changing market conditions and maintain its competitiveness.
- 3. By combining proactive and reactive strategies,** the retail company can develop a comprehensive approach to addressing the challenge of increasing competition from online retailers. This approach will allow the company to capitalize on opportunities for growth while also mitigating risks and responding to threats in the market.

## QUE 14 (MTP MAY 24)

ABC retail chain regularly monitors consumer trends and supply chain flexibility. The retail chain tracks consumer trends to adjust its offerings, ensuring they meet customer needs. Simultaneously, it maintains a flexible supply chain to respond swiftly to demand fluctuations. This strategy enables ABC retail chain to anticipate market shifts and adapt to them effectively, ensuring its competitiveness and customer satisfaction. Which type of strategy is the retail chain employing?

## ANSWER:

1. The retail chain is employing a strategy that combines both proactive and reactive elements. Monitoring consumer trends and adjusting product offerings accordingly demonstrates a proactive approach to anticipate and meet customer needs.
2. On the other hand, maintaining a flexible supply chain to respond quickly to changes in demand reflects a reactive strategy to address unforeseen shifts in the market.
3. This combination allows the retail chain to both anticipate future trends and react effectively to immediate market changes, making its strategy partly proactive and partly reactive.
4. This dual strategy of proactive trend monitoring and reactive supply chain flexibility enables the retail chain to anticipate market shifts and adapt to them effectively, ensuring its competitiveness and customer satisfaction.

# Descriptive Questions (SM,PYP,RTP,MTP)

# QUE 15

(SM/PYP MAY 18/ PYP MAY 19/PYP NOV 22/

RTP MAY 18/RTP MAY 19/RTP MAY 21/RTP NOV 21/RTP NOV 23/RTP MAY 24/

MTP MAY 19/MTP MAY 20 S1/MTP MAY 21 S2/MTP MAY 22 S1/MTP NOV 22 S1 & S2/ MTP NOV 23 S2)

Are there any limitations attached to strategic management in organizations? Discuss.

Or

Strategic Management is not a panacea for all the corporate ills, it has its own pitfalls which can't counter all hindrances and always achieve success'. Do you agree with this statement? Discuss.

Or

The presence of strategic management cannot counter all hindrances and always achieve success for an organization. What are the limitations attached to strategic management?

## ANSWER:

The presence of strategic management cannot counter all hindrances and always achieve success as there are limitations attached to strategic management. These can be explained in the following lines:

1. **Environment is highly complex and turbulent** - It is difficult to understand the complex environment and exactly pinpoint how it will shape-up in future. The organisational estimate about its future shape may awfully go wrong and jeopardise all strategic plans. The environment affects as the organisation has to deal with suppliers, customers, governments and other external factors. Thus, relying on a business strategy blindly could go absolutely wrong if the environment is turbulent.

### **Example**

Two-Wheeler Electric Vehicles brands counted on strategic benefits they would have because of the huge push from the government for electric mobility. However, customers are getting reluctant to purchase EVs due to the safety concerns amid the frequent incidents of battery's catching fire. So, strategy cannot overcome a turbulent environment.

2. **Strategic management is a time-consuming process** - Organisations spend a lot of time in preparing, communicating the strategies that may impede daily operations and negatively impact the routine business. Planning and strategizing are important but putting them in action is where the actual success lies. Similar to us students, planning and strategizing what to study, from where and at what time of the day to study, consumes so much of our actual study time that by the time we have to study, we are almost exhausted. Similarly in business if way too much time is spent on planning and formulating, then it might not be as fruitful.

3. **Strategic management is a costly process.** Strategic management adds a lot of expenses to an organization. Expert strategic planners need to be engaged, efforts are made for analysis of external and internal environments devise strategies and properly implement. These can be really costly for organisations with limited resources particularly when small and medium organisation create strategies to compete. Strategic Management requires experts, and these experts are costly resources. Thus, the process as a whole required good amount of funds to be spent.

4. **Competition is Unpredictable** - In a competitive scenario, where all organisations are trying to move strategically, it is difficult to clearly estimate the competitive responses to a firm's strategies. It is quite difficult to gauge the strategic planning of competitors because most of these decisions are taken within closed doors by the top management.

### **Example**

*Apple changed the market dynamics of the speaker industry by choosing to remove 3.5mm audio jack from iPhones. Now, to be relevant in the market, all major speaker brands had to put concentrated efforts to develop their own true wireless speakers (TWS) and compete with new entrants*

## QUE 16

(SM/PYP NOV 18/ PYP MAY 23/RTP MAY 20 /MTP NOV 18 S2 /MTP MAY 23 S1)

Explain the difference between three levels of strategy formulation.

Or

“Management at all levels develop strategies” Explain the different strategies formulated at different levels of management.

## ANSWER:

A typical large organization is a multidivisional organization that competes in several different businesses. It has separate self-contained divisions to manage each of these. There are three levels of strategy in management of business - corporate, business, and functional.

**The corporate level of management** consists of the chief executive officer and other top-level executives. These individuals occupy the apex of decision making within the organization. The role of corporate-level managers is to oversee the development of strategies for the whole organization. This role includes defining the mission and goals of the organization, determining what businesses it should be in, allocating resources among the different businesses and so on rests at the Corporate Level.

The development of strategies for individual business areas is the responsibility of the general managers in these different businesses or **business level managers**. A business unit is a self-contained division with its own functions - for example, finance, production, and marketing. The strategic role of business-level manager, head of the division, is to translate the general statements of direction and intent that come from the corporate level into concrete strategies for individual businesses.

**Functional-level managers** are responsible for the specific business functions or operations such as human resources, purchasing, product development, customer service, and so on. Thus, a functional manager's sphere of responsibility is generally confined to one organizational activity, whereas general managers oversee the operation of a whole company or division.

## QUE 17

(SM/PYP NOV 18/RTP MAY 18/RTP NOV 20/RTP MAY 23/  
MTP NOV 19 S1/MTP MAY 21 S1/MTP MAY 22)

"Strategy is partly proactive and partly reactive." Discuss.

Or

"A business organization cannot always plan all their strategies in advance and often need to blend planned strategies with reactive strategies." Do you agree with statement? Give reasons.

## ANSWER:

1. A business organization cannot always plan all their strategies in advance and often need to blend planned strategies with reactive strategies. Strategy is partly proactive and partly reactive.
2. In proactive strategy, organizations will analyze possible environmental scenarios and create strategic framework after proper planning and set procedures and work on these strategies in a predetermined manner. However, in reality no company can forecast both internal and external environment exactly. Everything cannot be planned in advance. It is not possible to anticipate moves of rival firms, consumer behaviour, evolving technologies and so on.
3. There can be significant deviations between what was visualized and what actually happens. Strategies need to be attuned or modified in the light of possible environmental changes. There can be significant or major strategic changes when the environment demands. Reactive strategy is triggered by the changes in the environment and provides ways and means to cope with the negative factors or take advantage of emerging opportunities.

# QUE 18 (PYP MAY 19/RTP MAY 21/RTP MAY 22/MTP MAY 23 S2)

What are 'objectives'? What characteristics it must possess to be meaningful?

## ANSWER:

Objectives are organizations performance targets - the results and outcomes it wants to achieve. They function as yardstick for tracking an organization's performance and progress. Objectives provide direction, allow synergy, aid in evaluation, establish priorities, reduce uncertainty, minimize conflicts, stimulate exertion, and aid in both the allocation of resources and the design of jobs.

Objectives, to be meaningful to serve the intended role, must possess the following characteristics:

1. Objectives should **define the organisation's relationship with its environment.**
2. They should be **facilitative towards achievement of mission and purpose.**
3. They should provide the **basis for strategic decision-making.**
4. They should provide **standards for performance appraisal.**
5. They should be **concrete and specific.**
6. They should be **related to a time frame.**
7. They should be **measurable and controllable.**
8. They should be **challenging.**
9. Different objectives should **correlate with each other.**
10. Objectives should be **set within the constraints of organisational resources and external environment.**

# **QUE 19 (PYP MAY 18/PYP NOV 20/RTP NOV 18/MTP MAY 18)**

What is strategic vision? Describe the essentials of strategic vision.

## ANSWER:

1. Strategic vision is a roadmap of a company's future - providing specifics about technology and customer focus, the geographic and product markets to be pursued, the capabilities it plans to develop, and the kind of company that management is trying to create.
2. It helps the company to answer the question "where we are to go" and provides a convincing rationale for why this makes good business sense for the company.
3. A strategic vision delineates organization's aspirations for the business, providing a panoramic view of the position where the organization is going. A
4. strategic vision points an organization in a particular direction, charts a strategic path for it to follow in preparing for the future, and moulds organizational identity.

### **Essentials of a strategic vision**

- i. Strategic vision is creative & Future directed
- ii. Forming a strategic vision is an exercise in intelligent entrepreneurship.
- iii. A well-articulated strategic vision creates enthusiasm among the members of the organization.
- iv. The best-worded vision statement clearly illuminates the direction in which organization is headed.

## QUE 20

**(PYP NOV 22/RTP MAY 18/RTP NOV 18/RTP MAY 19/RTP MAY 20)**

Define strategic intent. Briefly explain the elements of strategic intent.

Or

"Strategic intent provides the framework within which the firm would adopt a predetermined direction and would operate to achieve strategic objectives." In the light of this statement, discuss the elements of strategic intent.

## ANSWER:

1. Strategic intent can be understood as the philosophical base of strategic management. It implies the purposes, which an organization endeavours to achieve.
2. Strategic intent gives an idea of what the organization desires to attain in future. It answers the question what the organisation strives or stands for?
3. Strategic intent provides the framework within which the firm would adopt a predetermined direction and would operate to achieve strategic objectives.

### Elements of Strategic Intent are as follows:

- i. **Vision:** Vision implies the blueprint of the company's future position. It describes where the organization wants to land. It depicts the organization's aspirations and provides a glimpse of what the organization would like to become in future. Every sub system of the organization is required to follow its vision.
- ii. **Mission:** Mission delineates the firm's business, its goals and ways to reach the goals. It explains the reason for the existence of the firm in the society. It is designed to help potential shareholders and investors understand the purpose of the company. A mission statement helps to identify, 'what business the company undertakes.' It defines the present capabilities, activities, customer focus and business makeup.
- iii. **Goals and objectives:** These are the base of measurement. Goals are the end results, that the organization attempts to achieve. On the other hand, objectives are time-based measurable targets, which help in the accomplishment of goals. These are the end results which are to be attained with the help of an overall plan, over the particular period. However, in practice no distinction is made between goals and objectives and both terms are used interchangeably.
- iv. **Values :** values are the fundamental principles and beliefs that steer a company's operation. They cultivate the corporate culture, dictate conduct, and set the tone for its interactions with its customers, employees and other stakeholders. A few common examples of values are - Integrity, Trust, Accountability, Humility, Innovation, and Diversity.

## QUE 21 (PYP NOV 19/RTP NOV 22)

What should be the major components of a good mission statement?

Or

Why an organisation should have a mission? What considerations are to be kept in mind while writing a good mission statement of a company?

Or

What tips can you offer to write a 'right' mission statements?

## ANSWER:

Mission statements broadly describe an organizations' present capabilities, customer focus, activities, and business makeup. It is typically focused on its present business scope - "who we are and what we do".

### Reasons why an organisation Should have mission

- a) To ensure **unanimity of purpose** within the organisation.
- b) To develop a basis, or **standard, for allocating organisational resources.**
- c) To provide a **basis for motivating the use of the organization's resources.**
- d) To **establish a general organisational climate For Effective Business operations**
- e) To serve as a **focal point for** those who can identify themselves in line with the **organisation's purpose and direction.**
- f) **To facilitate the translation of objective and goals into a work structure** involving the assignment of tasks to responsible elements within the organisation.
- g) To specify organisational purposes and the **translation of these purposes into goals** in such a way that **cost, time, and performance parameters can be assessed and controlled.**

### Following points are useful while writing a good mission statement of a company:

- a) Mission statement should emphasize on giving an organization its own special identity, business emphasis and path for development.
- b) Mission statement should clearly specify that, what needs it is trying to satisfy, customer groups it is targeting, technologies and competencies it uses and the activities it performs.
- c) Good mission statement is highly personalized - unique to the organization for which it is developed.
- d) The mission should not be to make profit.

## QUE 22 (PYP MAY 24/RTP MAY 23/MTP NOV 20 S1/MTP MAY 21 S2)

A Company's mission statement is typically focused on its present business scope.' Explain the Significance of a Mission Statement.

Or

Mission statement of a company focuses on the question: 'who we are' and 'what we do'. Explain briefly.

## ANSWER:

A company's mission statement is typically focused on its present business scope — “who we are and what we do”; mission statements broadly describe an organization's present capabilities, customer focus activities and business makeup. An organisation's mission states what customers it serves, what need it satisfies, and what type of product it offers.

It is an expression of the growth ambition of the organisation. It helps organisation to set its own special identity, business emphasis and path for development. Mission amplifies what brings the organisation to this business or why it is there, what existence it seeks and what purpose it seeks to achieve as a business organisation.

### Significance of Mission Statement

- a) To ensure **unanimity of purpose** within the organisation.
- b) To develop a basis, or **standard, for allocating organisational resources.**
- c) To provide a **basis for motivating the use of the organization's resources.**
- d) To **establish a general organisational climate For Effective Business operations**
- e) To serve as a **focal point for those who can identify themselves in line with the organisation's purpose and direction.**
- f) To **facilitate the translation of objective and goals into a work structure involving the assignment of tasks to responsible elements within the organisation.**
- g) To specify organisational purposes and the **translation of these purposes into goals in such a way that cost, time, and performance parameters can be assessed and controlled.**

# QUE 23 (RTP MAY 18/RTP MAY 19/MTP NOV 18 S2)

Briefly discuss the difference between vision and mission.

VISION	MISSION
Vision Refers to The Ultimate Goal to be Achieved	Mission is a Statement indicating the activities to be pursued for accomplishing a goal
The Vision States The Future Direction	The Mission States The ongoing activities of the organisation
It is For Long Term	It is For Short Term
Vision is Broad & Inspirational	Mission is Clear & Action Oriented
It Answers the Question of "Where We Want to be"?	It Answers the Question of "Where We are at present"?
Vision is an Effect & Its cause is Mission.	Mission is Cause & Its Effect is Vision

## **QUE 24**

**(RTP MAY 21/RTP NOV 22/MTP MAY 22 S1)**

Explain briefly the key areas in which the strategic planner should concentrate his mind to achieve desired results.

## ANSWER:

A strategic manager defines the strategic intent of the organisation and take it on the path of achieving the organizational objectives. There can be a number of areas that a strategic manager should concentrate on to achieve desired results. They commonly establish long-term objectives in seven areas as follows:

1. Profitability.
2. Productivity.
3. Competitive Position.
4. Employee Development.
5. Employee Relations.
6. Technological Leadership.
7. Public Responsibility.

## QUE 25 (RTP NOV 18)

'Objectives' and 'Goals' provide meaning and sense of direction to organizational endeavour. Explain

## ANSWER:

Business organization translates their vision and mission into goals and objectives.

Goals are open-ended attributes that denote the future states or outcomes.

Objectives are close-ended attributes which are precise and expressed in specific terms. Thus, Objectives are more specific and translate to objectives to short term perspective.

All organizations have objectives. The pursuit of objectives is an unending process such that organizations sustain themselves. They provide meaning and sense of direction to organizational endeavour.

Organizational structure and activities are designed and resources are allocated around the objectives to facilitate their achievement.

They also act as benchmarks for guiding organizational activity and for evaluating how the organization is performing.

## QUE 26

Is strategic management a bundle of tricks and magic? Elucidate the statement.

## ANSWER:

Strategic management is not a bundle of tricks and magic. The term strategic management refers to the managerial process of forming a strategic vision, setting objectives, crafting a strategy, implementing and executing the strategy, and then over a period of time initiating whatever corrective adjustments in the vision, objectives, strategy, and execution are deemed appropriate.

Strategic Management is a deliberate managerial process that involves systematic and analytical thinking. It involves systematic and analytical thinking and action. Although, the success or failure of a strategy is dependent on several extraneous factors, it cannot be stated that a strategy is a trick or magic.

Formation of strategy requires careful planning and requires strong conceptual, analytical, & visionary skills.

## QUE 27 (MTP M18)

Every strategic move is the result of proactive planning. Comment

The Given Statement is incorrect

In business, things happen that cannot be fully anticipated or planned for. When market and competitive conditions take an unexpected turn or some aspect of a company's strategy hits a stone wall, some kind of strategic reaction or adjustment is required.

## QUE 28 (RTP MAY 18)

Strategic management involves huge cost. Comment

The Given Statement is correct

Strategic management is a costly process. Strategic management adds a lot of expenses to an organization. Expert strategic planners need to be engaged. Efforts are made for analysis of external and internal environments, devise strategies and properly implement them. These can be really costly for organizations with limited resources particularly when small and medium organisation create strategies to compete

## QUE 29 (RTP NOV 18)

For a small entrepreneur vision and mission are irrelevant. Comment

The Given Statement is incorrect

Entrepreneur, big or small has to function within several influences' & external forces. Competition in different form and different degree is present in all kind and sizes of business. Even entrepreneur with small businesses can have complicated environment. To grow and prosper they need to have clear vision and mission.

## QUE 30

All strategies emerge from corporate vision. Comment

The Given Statement is correct

Vision explains where the organization is headed, so as to provide long-term direction, delineate what kind of enterprise the company is trying to become and infuse the organization with a sense of purpose. All strategies need to be drawn in the light of corporate vision, which is what the firm ultimately wants to become.

# QUE 31

Strategy is a substitute for sound, alert and responsible management. Comment

The Given Statement is incorrect

Strategy is not a substitute for sound, alert and responsible management. Strategy can never be perfect, flawless and optimal. Strategies are goal-directed decision and actions in which capabilities and resources are matched with the opportunities and threats in the environment. A good management at the top can steer the organizations by adjusting its path on the basis of the changes in the environment.

## QUE 32

Strategies are perfect, flawless and optimal organizational plans. Comment

The Given Statement is incorrect

Strategy can never be perfect, flawless and optimal. It is the very nature of strategy that it is flexible and pragmatic, it does not preclude second- best choices, trade-offs, sudden emergencies, pervasive pressures, failures and frustrations. However, in a sound strategy, allowances are made for possible miscalculations and unanticipated external events

## QUE 33

Control systems run parallel with strategic levels. Comment

The Given Statement is correct

There are three strategic levels in an organization - corporate, business and functional. Control systems are required at all the three levels. At the top levels, strategic controls are built to check whether the strategy is being implemented as planned and the results produced by the strategy are those intended. Down the hierarchy, management controls and operational controls, are built in the systems. Operational controls are required for day- to- day management of business

## QUE 34

A company's strategy has always to be proactive in nature. Comment

The Given Statement is incorrect

A company's strategy is a blend of proactive actions and reactive actions by the management. Reactive actions are required to address unanticipated developments and environmental conditions. Thus, not every strategic move is the result of proactive and deliberate management actions. At times, some kind of strategic reaction or adjustments are required.