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MASTER OF BUSINESS ADMINISTRATION (M.B.A.)
EXAMINATION: MAY - 2026
SEMESTER - II

Sub.: Corporate Policies and Strategic Management (MBA24-202)

Date : 20/05/2026

Total Marks : 60

Time: 2.00 pm to 4.30 pm

Instructions: 1) All questions are compulsory.
 2) Figures to the right indicate full marks.

Q. 1. Write Short notes on (Any Three) (15)

1. Business Policy
2. Stability strategy
3. Vision & Mission
4. ETOP Model
5. Competitive Advantage

Q. 2. Answer in detail (Any One) (10)

1. Define strategic management process. Explain components of the process.
2. What is a retrenchment strategy? Explain in detail.

Q. 3. Answer in detail (Any One) (10)

1. Analyze Porter's Five Forces model in detail with diagram.
2. What growth strategies should a company adopt to increase its market share over the next 2 years?

Q. 4. Answer in detail (Any One) (10)

1. Explain BCG matrix. Why is it used for?
2. A company wants to use multiple strategies for the success of its business. Can you suggest some good Combination Strategies?

Q. 5. Case Study

A company with fewer fixed assets can gain a strong competitive advantage, especially during a global recession. Fixed assets such as factories, machinery and large production facilities require high maintenance costs, employee expenses and long-term investments. In difficult economic conditions, companies with heavy fixed assets often struggle because they must continue paying these costs even when demand declines.

Apple follows an asset-light strategy by outsourcing manufacturing to contract producers rather than owning factories. This allows Apple to reduce operational costs, remain flexible, and quickly adjust production according to market demand. As a result, Apple maintains lower debt levels and stronger financial stability.

In contrast, Sony owns numerous manufacturing plants, which increases operational expenses and debt obligations. During recessions, such fixed costs can reduce profitability and limit business flexibility. Therefore, having fewer

fixed assets can provide a competitive advantage by improving cost efficiency, reducing financial risk, increasing adaptability and allowing companies to focus more on innovation, branding and customer experience.

(15)

Questions:

- 1) How does having fewer fixed assets create a competitive advantage for a company?
- 2) Why can outsourcing manufacturing help a company remain financially strong during a recession?
- 3) What are the advantages of an asset-light business model compared to owning manufacturing facilities?
