

(L)

PA10ACP

Strategic Mgt.

7/10/16

Marks: 75

Duration: 2 ½ hrs.

Q.I Attempt any 2 (15)

- a) Define strategic management and discuss its importance.
- b) Explain Standing Plans.
- c) Highlight the importance of SBU in an organisation.

Q.II Attempt any 2 (15)

- a) Explain Turnaround strategy and discuss its need.
- b) Explain Stability strategy in detail.
- c) Explain Divestment strategy in detail.

Q.III Attempt any 2 (15)

- a) State the difference between strategy formulation and strategy implementation.-
- b) Explain BCG matrix.
- c) Explain three categories of strategy models by Henry Mintzberg.

Q.4 Attempt any 2 (15)

- a) Define strategy evaluation and highlight its importance.
- b) Explain criteria's for evaluation strategy in brief (Any 4 each)
- c) Explain the process of management of change.

Q.5 Case study. (15)

DD is the India's premier public service broadcaster with more than 1,000 transmitters covering 90% of the country's population across an estimated 70 million homes. It has more than 20,000 employees managing its metro and regional channels. Recent years have seen growing competition from many private channels numbering more than 65, and the cable and satellite operators (C & S). The C & S network reaches nearly 30 million homes and is growing at a very fast rate.

DD's business model is based on selling half-hour slots of commercial time to the programme producers and charging them a minimum guarantee. For instance, the present tariff for the first 20 episodes of a programme is Rs. 30 lakhs plus the cost of production of the programme. In exchange, the producers get 780 seconds of commercial time that he can sell to advertisers and can generate revenue. Break-even point for producers, at the present rates, is Rs. 75,000 for a 10 second advertising spot. Beyond 20 episodes, the minimum guarantee is Rs. 65 lakhs for which the producer has to charge Rs. 1,15,000 for a 10 second spot in order to break-even. It is at this point the advertisers face a problem - the competitive rates for a 10 second spot is Rs. 50,000. Producers are possessive about buying commercial time on DD. As a result the DD's projected growth of revenue is only 6-10% as against 50-60% for the private sector channels. Software suppliers, advertisers and audiences are deserting DD owing to its unrealistic pricing policy.

DD has three options before it, First, it should privatise, second, it should remain purely public service broadcaster and third, a middle path.

The challenge seems to be to exploit DD's immense potential and emerge as a formidable player in the mass media.

Questions