

**PGDM – International Business: 2020-22**  
**International Strategic Management: IB- 306**  
**Trimester – III, End-Term Examination: April 2021**

Time allowed: 2 Hrs 30 Min  
Max Marks: 50

Roll No: _____
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**Instruction:** Students are required to write Roll No on every page of the question paper, writing anything except the Roll No will be treated as **Unfair Means**. All other instructions on the reverse of Admit Card should be followed meticulously.

**SECTION – A**

(Attempt all three question, each question carries 10 marks.)

1. You are dealing with a client in the EduTech segment and you have to advise on the industry environment. Identify and briefly provide examples of the most common drivers of industry change? (CILO 1)

OR

What is weighted competitive strength assessment and explain why a weighted competitive strength assessment is important and useful to strategic managers? (CILO 1)

2. In what market and competitive circumstances are focused low-cost and focused differentiation strategies *not* attractive? (CILO 2)

OR

Explain why a company's strategy is really a collection of strategies. What do you think, how does it connect to the strategic role of managers in strategy formulation and implementation. (CILO 2)

3. Explain the relevance of the following as they relate to building shareholder value via diversification. (CILO 2)
  - a. the industry attractiveness test
  - b. the cost of entry test
  - c. the better-off test

OR

Identify and explain the meaning and strategic significance of each of the following terms. (CILO 2)

- a. outsourcing strategy
- b. vertical integration strategy
- c. first-mover advantage
- d. first-mover disadvantage
- e. horizontal and vertical scope

## SECTION – B

(Case is compulsory, it carries 20 marks.) (CILO 3 and 4)

### **Wal-Mart - Repurposing the Supply Chain**

Backstory: Wal-Mart, the largest retailer in the world, with over 7,800 stores, has been working steadily to improve sustainability. From installing green roofs to rolling out a more efficient trucking fleet, the company has moved forward internally, but now it is bringing its suppliers along.

Challenge: How do you green the supply chain?

Key moves: Wal-Mart has been pushing sustainability since adopting the strategy in 2005, establishing goals of being 100% fueled by renewable energy, producing zero waste and selling products that will sustain the environment.

So how does that happen? In one famous example, the company began working with Unilever plc in 2005 to sell concentrated laundry detergent in a 32-ounce container (equivalent to 100 ounces under a previous formulation). Consumers got a more powerful detergent in a smaller package. Three years after rollout, the new container had saved 80 million pounds of plastic resin, 430 million gallons of water and 125 million pounds of cardboard, according to a company fact sheet. More importantly, it became an industry standard, prompting other packaged goods companies to switch to concentrated detergent as well.

Wal-Mart's zero waste initiative is also moving forward. The company, which is aiming to eliminate all its landfill waste by 2025, was able to reduce waste by 57% between 2008 and 2009. It did so by improving inventory management, increasing donations and ramping up recycling (including 25 billion pounds of cardboard).

Now it is striving to push these criteria down into the supply chain on a three-stage path. First, it wants suppliers to rate their products on sustainability criteria. Second, it wants to gather data on product life cycles. Third, it is creating a sustainability index that will increase transparency for the consumer.

The first initiative, rolled out earlier this year, involves a questionnaire sent to more than 100,000 suppliers. It polls them on four categories: their energy and greenhouse gas emissions, waste and quality initiatives, "responsibly sourced" materials and ethical production.

Products are also being measured through their life cycles. Collaborating with academics, retailers, NGOs, suppliers and government in a consortium, Wal-Mart's goal is to build a global database of product information. As environmental business consultant Joel Makower wrote on his blog, <http://makower.typepad.com>, "the consortium's mandate is to focus on how to evaluate products, which Wal-Mart hopes will become the basis for standards, ratings, or other product-level evaluations that it would use in its stores."

That data will be used to develop an index consumers can use to evaluate products, though it's still unclear how that information will be measured and presented. Nor is there a timeline for rolling out such an index.

Impact: Wal-Mart wants its sustainability index to be open to all, becoming a standard to measure and communicate the green credentials of a product and thus becoming "a tool for sustainable consumption." In the process, the exercise of measurement itself may reap rewards in more efficient production, less waste and lower emissions — all of which are also cost-saving measures.

Read the case carefully and debate following issues.

1. Which strategic instruments are applied in formulating the strategy for results as found in the case.
2. Do you offer any additional suggestions for better performance of the company and how should they measure it to reflect it as performance of strategy.