

Total No. of Questions : 5]

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M.B.A. - II

**301 : STRATEGIC MANAGEMENT
(2013 Pattern) (Semester - III)**

Time : 2½ Hours]

[Max. Marks : 50

Instructions to the candidates:

- 1) All questions are compulsory.*
- 2) Each question carries 10 marks.*
- 3) Each question has an internal option.*
- 4) Support your answer with suitable examples.*

Q1) a) Case study:

YES Bank started its operations in the year 2004, until 2010, the new generation private sector lender focused on innovative strategies to survive and grow while keeping costs under control. The bank's version 1.0 took its balance sheet size from zero to more than Rs. 36,000 crore. The bank also emerged relatively unscathed from the post-2008 global financial crisis that was triggered by the bankruptcy of US investment bank Lehman Brothers.

From April 2010 onwards in version 2.0, YES Bank focused on scaling up operations gradually with a focus on retail banking. Consequently, its number of branches has expanded from 150 to about 600 spread across the country. Its ATM network has grown from 244 to 1, 200. The current balance sheet size is over Rs 1,00,000 crore. The bank, is now gearing up for version 3.0 with an objective to evolve as one of the medium to large private sector banks by March 2020. In the BT-KPMG Best Banks study, YES Bank has managed to find a place in the large banks category. It is ranked fifth - only HDFC Bank, ICICI Bank, Axis Bank and Bank of Baroda are ahead of it in terms of growth, strength and size. The Mumbai-headquartered bank is the most consistent performer in the last five years and also a winner in the quality of assets category.

Unlike its peer Kotak Mahindra Bank, which recently acquired ING Vysya Bank, YES Bank so far is a pure organic play with a focus on banking. The bank has not diversified into other business categories such as insurance, mutual funds and private equity. YES Bank's retail

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portfolio is 17 to 18 per cent of the total business. 70 per cent of its human resources are deployed in retail sales and services. The bank offers a complete suite of retail products, including mortgages (in alliance with DHFL, a housing finance company), credit cards (with American Express) and consumer loans, small and medium enterprise (SME) loans and micro SME loans.

The bank's retail foray is expected to be its single largest business by 2020. "We expect retail on the loan side to be roughly about 40 per cent including SME. On the liabilities side, retail deposits should be 60 to 65 per cent by the time we end version 3.0," says Rana Kapoor, CEO, YES bank who plans to introduce YES Bank's own credit cards soon. "The demanding years of our lifecycle are substantially over",he says. "We are at the inflection point. So, we are making the transition from a medium bank to a large bank".

- i) Identify the critical success factors responsible for bank transition from a medium bank to a large bank.
- ii) Highlight the key result areas as pinpointed by Bank's CSF's.

OR

- b) Elaborate Porter's 5 forces model of competition with a block diagram. How these 5 forces affect on external environment of an organization.

Q2) a) What are the strategic options for firms operating in emerging and growth stage industries? Discuss with relevant examples.

OR

- b) What is value chain? Explain the primary and support activities in value chain. Why do value chains of rival companies often differ.

Q3) a) Related diversification is an attractive corporate strategy and can be better than adopting unrelated diversification strategy? Comment and support with relevant examples.

OR

- b) Under what conditions can a joint venture strategy prove to be useful.

Q4) a) TQM has gained great importance in today's organisation. Comment.

OR

b) Explain the relevance of Mintzberg's 5Ps for strategy implementation, with suitable examples.

Q5) a) Discuss on the integrating social and environmental sustainability issues in strategic management.

OR

b) Write short notes on any two of the following:

i) Strategy canvas and value curves

ii) Triple bottom line

iii) Blue Ocean and Red Ocean strategies.

