

PCC+IPCC – MAY 10

PAPER-2

PAPER – 6 : INFORMATION TECHNOLOGY AND STRATEGIC MANAGEMENT

Section A: Information Technology

Attempt all questions.

1)

a) Describe briefly the following terms :

- i) Alternate key
- ii) Storage density
- iii) port
- iv) Data mart
- v) Screen resolution

5x1=5marks

b) Explain each of the following :

- i) Repeater
- ii) Fat client
- iii) Virus
- iv) ERP software
- v) CMOS

5x1 =5 marks

2) Answer the following :

- a) Explain the various functions of communication software. 4marks
- b) What is Customer Relationship Management [CRM]? Explain types of CRM 6marks

3)

- a) Explain various data transmission modes. 3marks
- b) Discuss different components and stages involved in data mining. 7marks

4)

- a) Discuss various types of optical storage devices. 4marks
- b) A company has 2,500 employees. Their salaries are stored as J(s), 1, 2, ---- 2500. The salaries are divided in four categories as under:
 - (i) Less than Rs. 1,000 (ii) Rs. 1,000 to Rs.2,000
 - (iii) Rs. 2,001 to Rs. 5,000 (iv) Above Rs. 5,000.Draw a flow chart for finding the percentage of the employees in each category.

6marks

5)

- a) Explain the features of LAN. 4marks
- b) Discuss credit card payment system and payment via electronic cheque. 6marks

SECTION – B
Attempt **all** questions.

- 6) State with reasons which of the following statements is correct or incorrect :
- a) The concept of micro environment is more inclusive than that of macro environment.
 - b) Objectives and goals are synonymous.
 - c) Vertical diversification and concentric diversification are the same.
 - d) Marketing alone cannot produce superior value for the customer.
 - e) Balanced Scorecard serves both financial and strategic purposes.
- 5x1=5marks
- 7)
- a) 'A good strategy may fail if it is not implemented properly'. Discuss. 5marks
 - b) What do you understand by ethnic mix? 2marks
- 8)
- a) What is business process reengineering? Why is it getting popular? 6marks
 - b) What is strategic vision? What are its elements? 4marks
- 9)
- a) What is experience curve? 3marks
 - b) What is meant by globalization? why companies go global? 5marks
- 10)
- a) Spice and Taste Foods Limited (STFL) is an average size company in the ready to eat snacks segment consisting of chips and biscuits. It operates in a volatile, fast-growing and challenging environment. It has presence all over India. The environment is characterized by strong regulatory control and keen customer expectations and their insistence on good taste and quality. In every 5-6 months a new small player will launch products. However, very few would be able to survive in the difficult market conditions. STFL is growing at a modest rate of 5 % p.a. The products of STFL are very popular with the young generation. STFL's mother company, Steady International Inc., has been in the industry for over 40 years and operates in 20 countries worldwide. Steady International Inc. has over 2500 employees. Strategic planning is currently centralized at Headquarters in New York and country managers are not consulted about their targets and/or budgets although they are required to set targets for their units and also to operate strictly within budgetary limits. Each of the country unit operates as a separate profit centre. Steady International Inc. is still considered a "small player" in the International arena. Its global market share is just about one per cent. In recent years Steady International Inc. is losing customers in western market on account of global recession. There is no or negative growth in 15 countries. Simran Deol, Head of STFL admits this position when she opines in their international meet: "The global recession will kill us. We are a small company and have fewer range of products than our competitors. Although, in 5 markets we have some growth, but it is too less to sustain as a group in long run." She also floated a few points for discussion.
 - a) Expenditure on advertisement is kept at minimum.
 - b) STFL competes on price alone.
 - c) High margins are given to the resellers to maintain their interest in selling their products.

- ✚ Appropriate displays are made at point of sales
- ✚ Reduce the number of branches within each country.
- ✚ Retrench staff as a result of cut in branches .She also suggested that each country unit should be made a separate SBU and advocated increased authority of country heads.

Required:

- (i) What is a SBU? Why Simran Deol recommended SBUs.? 6marks
- (ii) Discuss the promotion strategy for STFL. 6marks
- (iii) Critically examine the ideas given by Simran Deol. 4marks
- (iv) Examine the impact of recession on STFL and Steady International Inc. 4marks

SUGGESTED ANSWERS/HINTS
SECTION-A

- 1)
- a) Describe briefly the following terms :
- i) Alternate key- ch2
 - ii) Storage density-ch1unit2
 - iii) Port-ch1unit1
 - iv) Data mart-ch2
 - v) Screen resolution-ch1unit2
- 5x1=5marks
- b) Explain each of the following :
- i) Repeater-ch3
 - ii) Fat client-ch3
 - iii) Virus-ch3
 - iv) ERP software-ch1unit3
 - v) CMOS-ch1unit1
- 5x1 =5 marks
- 2) Answer the following :
- a) Explain the various functions of communication software.ch3 4marks
- b) What is Customer Relationship Management [CRM]?Explain types of CRM
ch4 6marks
- 3)
- a) Explain various data transmission modes.-Ch3 3marks
- b) Discuss different components and stages involved in data mining.-ch2 7marks
- 4)
- a) Discuss various types of optical storages devices.-ch1unit2 4marks
- b) For flowchart –refer module 6marks
- 5)
- a) Explain the features of LAN. -ch3 4marks
- b) Discuss credit card payment system and payment via electronic cheque.-ch4
6marks

SECTION – B
Attempt **all** questions.

6) State with reasons which of the following statements is correct or incorrect :

a) The concept of micro environment is more inclusive than that of micro environment.
Correct : The environment of a business is the sum total of all the internal and external factors surrounding and relevant to the policies, programs and strategies of the business organisations. The environment can be macro or micro. The concept of macro is quite broader than micro environment. While the micro includes the board of directors, the employees, the customers etc. [cosmic]. While the macro includes social, political, technological etc. [spelt-g demo]. Therefore the concept of macro is of more inclusive than micro.

b) Objectives and goals are synonymous.
Incorrect : the dictionary meaning of two might be same. but however, from management point of view, there is a difference. Goals are close ended features which are precise and capable of being expressed in specific terms. On the other hand, objectives are open ended, which describe the expected future outcomes. Goals are of short term nature, while objectives are of long term nature. They are unending process. They are required for sustaining the organisation. They are benchmarks for guiding organisational activities and for their evaluation.

c) Vertical diversification and concentric diversification are the same.

Incorrect : in vertical, the product falls within the firm's current processes and product ranges where as in concentric diversification there is departure from this vertical link. The new product is only loosely connected with one or more points in the firm's existing products, process and technology change.

d) Marketing alone cannot produce superior value for the customer.

Correct : marketing is concerned with producing superior value for the customer. However, marketing department alone cannot achieve this objective. All the departments in the company have to work together to achieve the objective of creating value chain for the customers.

e) Balanced Scorecard serves both financial and strategic purposes.

Correct: Balance scorecard is a combination of strategic and financial objectives. It measures company performance, requires setting both financial and strategic objectives and tracking their achievement. Unless a company is in deep financial difficulty, such that its very survival is threatened, company managers are well advised to put more emphasis on achieving strategic objectives than on achieving financial objectives whenever a trade-off has to be made.

5x1=5marks

7)

a) 'A good strategy may fail if it is not implemented properly'. Discuss.-ch6 5marks
b) What do you understand by ethnic mix?ch5 2marks

8)

a) What is business process reengineering? Why is it getting popular?-ch7 6marks
b) What is strategic vision? What are its elements?-ch2 4marks

9)

- a) What is experience curve? -ch3 3marks
- b) What is meant by globalization? why companies go global? -ch1 5marks

😊 GOOD LUCK 😊