FINAL EXAMINATION

December 2013

P–15(BSCM)
Syllabus 2012

Business Strategy and Strategic Cost Management

Time Allowed: 3 Hours | Full Marks: 100

The figures in the margin on the right side indicate full marks.

SECTION A (50 marks)
(Business Strategy)

Question No. 1 *and* 2 *are compulsory.*
Answer any two *from the rest in this section.*
(Please answer all parts of the question at one place)

1. (a) Fastfix is a small company operating in a single city. Its business is repairing laptops. It has earned a good name for its fair charges and speedy delivery. For the next five years, the environment offers the following information:

Many school students are being given laptops by the school themselves and this trend is likely to continue for another five years. College students and coaching centres provide new laptops to all the students during the admission. The fees are inclusive of these costs.

Tablets are first replacing laptops in certain market segments and models are changing every six months. If there are major repairs, richer people discard the products and go in for new products or newer versions. However, there are rural markets and certain parts of urban markets which will still be interested in the low-cost repaired and re-sold products.

Considering the above case of Fastfix it will limit its operations to only one city. You are required to give:

(i) A vision statement;

(ii) A mission statement;

(iii) Does SWOT analysis exist?

(iv) Some parameters that could be used in such the above situation relating to the financial and growth perspectives in a Balance Score Card (BSC).

(b) A case of Business Intelligence in Aviation—The entire matrix of India's aviation industry has challenged ever since no-frills airlines made air travel affordable for the country's growing middle class. Given that Low Cost Carriers (LCC) are the future air travel in India, LCC are practically non-existent in now-a-days. What is the reason behind such sorry state of affairs among airlines? The answer lies in 'pricing'. Experts say that Indian LCC have not been able to price their tickets right and at one point even brought their fares close to that of Full Service Carriers (FSC).

According to global standards, the average cost per passengers for LCCs should be $35 lower than that of FSCs. But this is contingent on better utilization of aircraft through faster turnarounds i.e., the time taken between landing and the next flight. This is where technology initiatives such as Corporate Performance Management using Business Intelligence (BI) tools can come very handy.

(i) What is 'Business Intelligence'?

(ii) How to create a 'Business Intelligence Strategy' in aviation industry?

(iii) How 'Business Intelligence' can enhance the overall decision-making process in Low Cost Airlines Carriers.

(2+2+2+2)+(2+2+3)

Please Turn Over