



International Institute of Health Management Research (IIHMR), New Delhi.
POSTGRADUATE DIPLOMA HOSPITAL AND HEALTH MANAGEMENT
(Batch 2019-2021)
Strategic Management
..... HOM-708/ HEM- 708.....
End Term Examination

Time allowed: 2 hrs

Max. Marks: 70

Directions: Attempt four questions in all. Question no. 1 and Question no. 5 are compulsory.

Q1. Write down short notes on the following (Any 4) (Max. 150 words) (4 x 2= 8)

- (a) BCG Matrix
- (b) Vertical Integration
- (c) VRIO Framework
- (d) Strategic Fit
- (e) Turnaround Strategy
- (f) PEST Analysis
- (g) Value Chain Analysis
- (h) Strategic Momentum Control

Q2. (a) Assuming yourself to be the Chief Executive of an organization, relate the difficulties you would face in choosing and setting the objectives of the organization. (10 marks)

(b) What is blue ocean strategy and how is it different from red ocean strategy? (10 marks)

Q3. Discuss the conditions under which an organization can attain cost leadership and differentiation simultaneously. How is this achieved? (20 marks)

Q4. A large business group wishes to identify strategies for the various businesses in its portfolio. How can it go about doing this using GE nine cell matrix. (20 marks)

Q5. Read the following case study and answer the question that follows: (22 Marks)

ANDERSEN HOLDINGS PRIVATE HEALTHCARE

An analysis of competition and market opportunity screening Andersen, formed in 1990, is a public-listed holding company operating a series of businesses in the healthcare industry throughout Asia and Europe.

It operates twenty-two hospitals with more than 4,000 beds as well as patient centres internationally. Andersen has an extensive network of medical centres in addition to the private hospitals in Switzerland, Austria and Germany and the UK, as well as the United Arab Emirates. Andersen is well represented in Australia, China, India, Indonesia, Malaysia, Pakistan, the

Philippines, Singapore, Sri Lanka, and recently in Russia and the Baltic countries. Andersen has a team of more than 2,000 specialists covering both medical and surgical specialties comprehensively.

Andersen is committed to global leadership in the provision of integrated healthcare services. The markets served are international, with opportunities for patients to travel to countries where centres of medical excellence have been established. The extensive network of Medical Referral Centres enable this international business to thrive. Clinical expertise in the fields of cardiology, neuroscience, oncology, transplant and cellular therapy, and paediatrics is well-known, as is primary care and the treatment of chronic illnesses. Specialities have been developed as well in the fields of diagnostic radiology, gastroenterology, genetic medicine, dermatology and tropical disease treatments.

In recent years, dentistry, and plastic and cosmetic surgery, have achieved international acclaim, as has renal care for the treatment of diabetes. Andersen has grown to provide a total solution ranging from preventative healthcare to medical and surgical care together with post-operative rehabilitation. In other words, Andersen provides 'end-to-end' private healthcare solutions. Within the group, subsidiary companies provide imaging services, laboratory services and executive health screening. Recently new services for fertility have been added. Andersen also works closely with pharmaceutical companies for clinical research and medical trials for drug innovations. In short, Andersen provides world-class healthcare for customers all over the world with the essence of all work embedded in a philosophy of healing and total patient care. To ensure the quality of services to both in patients and outpatients, Andersen has its own colleges for training nurses and paramedical staff to ensure international standards are met. Doctors have extensive programmes for continuing professional development, again internationally. Close working relationships have been built with all major teaching hospitals throughout the world. The marketing of Andersen medical services is both challenging and professional, with a wide range of 'special packages' available for core medical procedures and treatments which enable patients to travel to specific locations and centres. 'Medical tourism' is a way of life at Andersen; patient testimonials speak volumes for the quality of care and recovery. Despite Andersen's scale of operations and its business success, with annual turnover exceeding US\$1 billion, competition from other private healthcare providers, as well as from the public sector, is ever present. The main board of Andersen are all medically trained specialists; in fact they have moved into management from medicine. Medical schools do not provide management training and therefore the demands of managing this type and scale of business is challenging, because all of the top management team are also medical and surgical practitioners. It has been decided that the theme for the annual management conference to be held in Dubai should be competition and remaining relevant to stakeholders so that the brand equity of Andersen can continue to be built. In turn, it is believed that this will preserve shareholder value.

Question

As an independent adviser to the main board of Andersen, you are required to produce a paper for circulation to the top management team prior to the conference. The theme is 'The Analysis of Competition from a Generic Perspective'. It is from this overview that Andersen management will be able to extract an agenda of items for review. It is essential therefore that the paper presented should not be related to the healthcare industry per se.