

GUJARAT TECHNOLOGICAL UNIVERSITY
MBA – SEMESTER - 3 - EXAMINATION – SUMMER 2021

Subject Code: 2830001**Date: 12/08/2021****Subject Name: Strategic Management****Time: 02:30 PM TO 05:30 PM****Total Marks: 70****Instructions:**

1. Attempt all questions.
2. Make suitable assumptions wherever necessary.
3. Figures to the right indicate full marks.

- Q.1 (a) Multiple choice questions 06**
- 1) Bargaining power of customer is high if...
- a) Differentiation is low b) Switching cost is low
c) Buyer has little information d) No substitute are available
- 2) The word tactics is most likely associated with
- a) Business Strategy b) Corporate Strategy
c) Operational Strategy d) All of the above
- 3) Buying another company by one company means
- a) Joint Venture b) Acquisition
c) Merger d) Alliance
- 4) _____ is collection of managerial decisions and actions that determine the long run performance of the organization.
- a) Planning b) Goal oriented management
c) Strategic Management d) Leadership
- 5) The competencies or skills that a firm employs to transform inputs into outputs are
- a) Tangible Resources b) Intangible Resources
c) Organizational Capabilities d) None of the above
- 6) An independent group of suppliers, such as farmers, gather to form a cooperative in order to sell their products to buyers directly, replacing their previous distributor. This is an example of
- a) Forward Integration b) Backward Integration
c) Threat of Substitutes d) Threat of entry
- (b) Define the terms: 04**
- 1) Distinctive competence
 - 2) Diversification
 - 3) Vision
 - 4) Merger
- (c) Strategic Group Mapping 04**
- Q.2 (a) Explain Value Chain Analysis in detail. 07**

- (b) Explain I/O based model for strategic management. 07

OR

- (b) Explain strategic alliance and joint venture in detail. When it is advisable to form strategic alliance and joint venture. 07

- Q.3** (a) Draw Porter's five force model and explain each force in detail. 07

- (b) When can a firm use differentiation strategy? Explain advantages of differentiation strategy for a firm of your choice in detail. 07

OR

- Q.3** (a) Enlist environmental forces (PEST) that can affect business. How technology as a force can affect the business environment. 07

- (b) A company manufacturing readymade garments wants to expand internationally. How can firms enter into international market? 07

- Q.4** (a) What does it mean to say that strategy and structure have a reciprocal relationship? 07

- (b) What is Organizational Culture? How do Strategic Leaders help to develop and sustain an effective organizational culture? 07

OR

- Q.4** (a) Explain Balance scorecard approach with suitable examples in detail. 07

- (b) What is ethics and social responsibility? Suppose you own a firm, how can your firm benefited by following ethics and social responsibility? 07

Q.5 Tesla Motors (Tesla), an American automotive company, was ranked #1 on Forbes' fifth annual list of the world's most innovative companies 2015. Tesla, whose prime focus was on energy innovation, was a technology and design company which had forayed into the automotive manufacturing business. It took on the traditional automotive industry with its innovations, competing to develop the best world class technology in electrical vehicles (EVs). It disrupted the global automotive industry as a distinct player by focusing on innovation, Research & Development (R&D), and the customer. Its innovations in design, the development process, product differentiation, and marketing strategy revolutionized the global automotive industry. The company offered 3 Electric cars in the market. 1 SUV, 1 Sedan car and 1 Economy car for everyone. Performance & speed of the cars is excellent due to instant power by batteries. The car does not have any engine and runs on motors powered by batteries. The prices of the cars are relatively higher because of the prices of the batteries used in the vehicle is still on a higher side. Being battery powered car, its range is also limited. It takes time to charge the battery compare to tradition fill and go ways of petrol and diesel cars. To cope up with these limitations, company offers charging stations in USA and free maintenance up to 3 years. Maintenance of the car is very low. It is the first automatic driving car which identifies what is happening around it and car drive itself & can prevent accidents also. The company plans to enter in heavy commercial market also by offering EVs.

- (a) Do SWOT analysis for Tesla Motors. 07

- (b) What should be company's strategy to compete with competitors? **07**

OR

Q.5

Fast Bonding Ltd. Is a medium sized company followed the policy of growth through acquisitions. Five years ago the company acquired Smart Adhesives Pvt. Ltd., which was the main competitor. At the time of acquisition Smart Adhesives Pvt. Ltd. Was in bad financial condition with huge accumulated losses. Therefore, the board of Fast Bonding Ltd. Felt that it was a good buy, and was confident of turning it around.

The general manager of Fast Bonding Ltd. accepted the challenging task of turning over the fortunes of Smart Adhesives Pvt. Ltd.

He made comprehensive plan and tried to implement certain measures to improve the productivity but met with a little success. In fact, last year, the workers almost go on strikes against the management.

- (a) Identify the problems involved in the above case. **07**
- (b) What according to you should be done to bring change and improve performance of Smart Adhesives Pvt. Ltd.? **07**
