

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

Subject Code: 3539201**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) Answer the following questions. **07**
- (1) Vision and Mission
 - (2) Sustainable Competitive Advantage
 - (3) Key Success Factors
 - (4) Merger and Acquisition
 - (5) Joint venture
 - (6) Strategy & structure - linkages
 - (7) Define: Diversification
- (b) Define I/O model & Resource based model of above average return and explain the steps of its process. **07**
- Q.2 (a) Define the term Strategic Intent, Strategic Fit, Strategic Leverage and discuss its relevance in Strategic management process. **07**
- (b) Discuss in brief strategies namely Mergers, Acquisition and joint venture (Cooperative strategies) by citing real life examples. **07**
- OR**
- (b) Write a note on Balance Score Card. **07**
- Q.3 (a) Discuss different corporate-level strategies in detail. How do they differ from each other? **07**
- (b) Explain Porter's Five Force Model by taking an industry or a company of Your choice. **07**
- OR**
- Q.3 (a) What is strategic leadership? With suitable examples explain how strategic leaders manage a firm's resources, human capital and social capital to achieve a competitive advantage? **07**
- (b) Differentiate between Multinational, Global, Transitional and International Strategy with example **07**
- Q.4 (a) What is corporate social Responsibility? Explain the arguments in favour and against CSR. Write corporate social responsibility of any company of your choice. **07**
- (b) Discuss the Blue Ocean Strategy framework. **07**
- OR**
- Q.4 (a) Write a note on "VUCA" model of change management. **07**

(b) Explain the concepts of Innovation, Grassroots & Jugaad with examples. **07**

Q.5 The Walt Disney Company was founded as a cartoon studio in 1923 by Walt Disney and his brother Roy with a \$500 loan from an uncle. In the early 1920s, cartoonist Walt Disney visited New York to pitch his idea for a cartoon rabbit called Waldo. During that trip, through a complicated series of events, Disney lost the rights to develop Waldo. On the train-ride back to California he spoke with his wife about the importance of coming home with some alternative character. "I can't come back to our office and tell them I've lost Waldo," he bemoaned. This hardship inspired Disney to develop a new character, Mickey Mouse, and release the world's first fully-synchronized sound cartoon, "Steamboat Willie" (starring, of course, Mickey Mouse).

Disney's creative genius was now coupled with a fierce instinct to protect and control his creative output. Never again would he lose "Waldo." Consequently, the Walt Disney Company was pushed by Walt to tirelessly create timeless and universal entertainment, consistently innovate and take risks to deliver that entertainment, stress a vision of being the provider of choice of quality family entertainment, and maintain rigorous control over the quality of customers' experiences with Disney products and its image.

Such a personal passion for controlled the Walt Disney Company into theme parks because Disney did not want Mickey's reputation sullied by the dirty, cheap theme parks that littered the land during those days. All films had to be new and of the highest quality animation (taking a minimum of five years to create, including hand-painted backgrounds); sequel films were not tolerated. Walt's vision and risk taking propensity led him in the early 1960s to buy 43,000 acres in Florida (now Walt Disney World), betting the company's future on a high-risk, uncertain venture. Amidst such a flurry of activity, Walt Disney died just before Christmas 1966, and the company was literally stopped dead in its tracks. Walt Disney's blueprint was being followed to the letter, but no further (Walt Disney World opened in 1971). No "new" creations were undertaken until 1982, when the company finally launched such businesses as the Disney Channel, Touchstone, and their home video business. Had it not been for the appointment of Michael Eisner as Disney's new CEO in 1984, the company would likely not have survived its perilous financial situation and stifled creativity. Eisner returned the company to its roots of family entertainment and values of quality, fairness, creativity, entrepreneurialism, and teamwork.

A. What value-creating legacy did Walt Disney leave to the Walt Disney Company? **07**

B. To what extent had the Walt Disney Company become a reflection of Walt up to the time that he died in 1966? **07**

OR

Q.5 Suresh Gupta was irritated and confused, after the meeting with Dinesh Sharma. Suresh was the chief of Gujarat Department Stores (GDS), and Dinesh was regional store manager, in charge of stores of Ahmedabad, Rajkot and Surat. Three weeks earlier, Suresh has received a letter from Dinesh explaining that top management had decided on an MBO programme to help SDS improve its operational efficiency and profitability. The letter mentioned about linking stores managers' salary hikes, promotions etc to performance.

The accompanying instructions required managers to list the objectives they achieved which were appropriate for their store and then to await the regional manager's review visit.

Suresh has done just what he was asked to do. In the meeting with his departmental managers, Suresh had chosen objectives that they all agreed were appropriate. All of the objectives represented performance levels that were improvements over the past year and were reasonably attainable, such as: Increasing sales by 10%, Reducing Inventory losses by 2%, Improving Customer Service (i.e. 20% fewer complaints made to head office) and Reducing cash register shortages to 0.05 % of sales.

Dinesh came late for the MBO review visit and stressed that there was little time. He quickly scanned the written statement of objectives which Suresh gave him, then explained that profit improvement was really what the home office was interested in. Senior management in Mumbai, running the GDS in over 18 major cities in India, decided that a 10% increase in profit would be a reasonable objective for Suresh store. This single objective, Dinesh explained, would facilitate the monitoring of performance by the head office and would also reduce the amount of information the store would have to submit.

Question

- 1) Does the MBO system at GDS meet the criteria for an effective programme? Why? Why not. **07**
- 2) Evaluate Suresh approach to objective setting. **07**
