

**GUJARAT TECHNOLOGICAL UNIVERSITY**  
**MBA– SEMESTER - III-EXAMINATION- SUMMER-2023**

**Subject Code: 2830001****Date: 28/06/2023****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.
4. Use of simple calculators and non-programmable scientific calculators are permitted.

**Q. 1 (a)** Answer the following multiple choice questions.

6

- 1 The competitive moves and business approaches a company's management is using to grow the business, stake out a market position, attract and please customers, compete successfully, conduct operations, and achieve organizational objectives is referred to as its:
  - a) Strategy
  - b) Mission statement
  - c) Strategic intent
  - d) Business model
- 2 The most powerful and widely used tool for diagnosing the principle competitive pressures in a market is the:
  - a) Five force model
  - b) SWOT
  - c) KSF
  - d) BCG matrix
- 3 What is the best technique for revealing the different market or competitive position that rival firms occupy in the industry?
  - a) Strategic group mapping
  - b) Global industry change
  - c) Dynamic mapping analysis
  - d) Distribution analysis
- 4 The range of product and service segments that the firm serves within its market is known as the firm's:
  - a) horizontal scope.
  - b) vertical integration.
  - c) vertical scope.
  - d) product outsourcing.
- 5 When all the resources are available or can be easily purchased or leased, the best alternative is to enter the new business opportunity via:
  - a) internal development.
  - b) acquisition.
  - c) joint venture.
  - d) partnership.

- 6 When strategies fail, it is often because of:
- poor execution of the strategy.
  - shortfalls exposed with the strategic management design process.
  - inadequate support for the management team responsible for the planning process.
  - secondary operating practices that hinder the required changes.
- Q. 1 (b)** Define following terms: 4
- Triple bottom line
  - Restructuring
  - Competence
  - Core competence
- Q. 1 (c)** Write a brief note on Strategic leadership. 4
- Q. 2 (a)** Explain Porter's five force model with practical application of your choice. 7
- Q. 2 (b)** Due to recent international environmental changes, there is change in PESTEL environment. Critically evaluate this statement. 7
- OR
- Q. 2 (b)** Explain I/O Model of Above Average return with a diagram 7
- Q. 3 (a)** What is merger and acquisition? Explain major differences between mergers and acquisitions with necessary examples. 7
- Q. 3 (b)** Explain various ways with the help of company's enter into foreign market? 7
- OR
- Q. 3 (a)** Organization culture is the biggest factor in implementation and execution of strategy. Do you agree with this statement or not? Justify your answer with proper arguments. 7
- Q. 3 (b)** Explain various organization structures with necessary examples. 7
- Q. 4 (a)** What is diversification? Explain various types of diversifications with suitable examples. 7
- Q. 4 (b)** Explain blue ocean strategy with necessary examples. 7
- OR
- Q. 4 (a)** What is corporate social responsibilities? Critically evaluate any two company's CSR strategies. 7
- Q. 4 (b)** What is value chain analysis? Explain value chain analysis of retail industry. 7
- Q. 5** In 2003, Levi Strauss & Company announced it would close its two remaining U.S. apparel plants to finalize its transition from a clothing manufacturer to a marketing, sales, and design company. 14

Beginning in 2004, all Levi's apparel would be produced by contract manufacturers located low-wage countries. As recently as 1990, Levi Strauss had produced 90 percent of its apparel in company-owned plants in the United States employing over 20,000 production workers.

With every plant closing, Levi Strauss & Company provided severance and job retraining packages to affected workers and cash payments to small communities where its plants were located. However, the economies of many small communities had yet to recover and some employees had found it difficult to match their previous levels of compensation and benefits.

- (a) Does the company's strategy fulfill the company's ethical duties to all stakeholders-owners/shareholders, employees, customers, suppliers, the communities in which it operates, and society at large?
- (b) Does Levi Strauss's strategy to outsource all of its manufacturing operations to low-wage countries pass the moral scrutiny test given that 20,000 workers lost their jobs?

OR

14

**Q. 5**

As the new owner of a local ice cream store located in a strip mall adjacent to a university campus, you are contemplating how to organize your business – whether to make your ice cream in-house or outsource its production to a nearby ice cream manufacturer whose brand is in most of the local supermarkets, and how much authority to delegate to the two assistant store managers and to employees working the counter and the cash register. You plan to sell 20 flavors of ice cream.

- (a) What are the pros and cons of contracting with the local company to custom-produce your product line?
- (b) Since you do not plan to be in the store during all of the hours it is open, what specific decision making authority would you delegate to two assistant store managers?

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