

Enrollment No./Seat No.:

GUJARAT TECHNOLOGICAL UNIVERSITY
MBA - SEMESTER - III EXAMINATION - SUMMER 2025

Subject Code: 2539301

Date: 30-05-2025

Subject Name: Global 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.**

	Marks
Q.1 ALL 7 Questions must be Compulsory.	14
(a) Strategy	
(b) Above average return	
(c) Goals	
(d) Core Competencies	
(e) Industry environment	
(f) Retrenchment strategy	
(g) Strategic control	
Q.2 (a) Discuss in detail the strategic management process to be adopted by the company to achieve its objectives.	07
(b) Elaborate I/O model & Resource-based Model of Above Average Return.	07
OR	
(b) What is strategic intent? Discuss each element of strategic intent with appropriate examples.	07
Q.3 (a) Write a short note on	07
a) Critical Success Factors	
b) Key Performance Indicators	
(b) Analyze how value is created at each stage of the value chain in the consumer electronics manufacturing industry — from sourcing components and production to distribution and after-sales service. In your opinion, which stage plays the most vital role in building competitive advantage, and why?	07
OR	
(a) How do the segments of the general environment impact a firm's strategic decisions? Why is it important to monitor these factors?	07

- (b) Choose a specific industry of your choice and use Porter's Five Forces model to evaluate the competitive dynamics in that industry. Which of the five forces do you believe most strongly influences its profitability, and explain your reasoning **07**
- Q.4 (a)** Elaborate Porter's Generic Business Level Strategies with relevant example. **07**
- (b) Select a well-known company and describe its business using the three dimensions: Who does it serve, What customer needs does it address, and How does it create and deliver value? In your view, how effectively has the company defined its business? **07**

OR

- (a) Discuss Porter's Diamond Model of Competitive Advantage of Nations **07**
- (b) Imagine you are a strategy consultant for an Indian FMCG company planning to enter the Southeast Asian market. What international entry mode would you recommend and why? Consider factors like cost, control, risk, and market potential in your answer. **07**

Q.5

Innovatech is a mid-sized Indian technology company specializing in smart home devices like intelligent thermostats, security cameras, and voice-activated assistants. Established a decade ago, the company has earned a strong reputation in India for offering affordable yet reliable products. Riding on this success, Innovatech's leadership now aims to expand internationally, focusing on the fast-growing Southeast Asian market, where rising middle-class incomes and increasing adoption of smart home technologies present promising opportunities. However, this global expansion brings several challenges. First, Innovatech must decide on the most suitable mode of entry into these new markets. Exporting offers the advantage of lower risk and minimal initial investment but limits the company's control over local marketing, customer service, and responsiveness to market dynamics. On the other hand, establishing wholly owned subsidiaries would give Innovatech complete control over operations and branding but demands significant capital investment and exposes the company to higher risks, especially in unfamiliar territories. A middle-ground option could be forming joint ventures with local partners, which can provide valuable market insights and help mitigate risk. However, this approach also requires sharing control and profits, which may affect decision-making agility. Another major hurdle is adapting to the varied customer preferences and regulatory environments in Southeast Asia. Privacy regulations around data collected from smart devices differ significantly from country to country. Additionally, local consumers have unique expectations regarding product features, pricing, and after-sales services. Innovatech will likely need to customize its existing product range and marketing strategies to meet these diverse demands effectively. Furthermore, Innovatech faces intense competition from established global players such as Amazon, Google, and Xiaomi, which already have a strong presence in the region. To succeed, Innovatech must clearly define its competitive strategy. Should it focus on competing through cost leadership by offering more affordable devices, or should it differentiate itself through innovative features, superior customer experience, or localized services? Identifying and capitalizing on a unique competitive advantage will be crucial for carving out its market share. Lastly, Innovatech must address the internal organizational adjustments needed to support international operations. This includes recruiting and training local talent, establishing efficient distribution networks, and managing cross-border supply chains to maintain cost efficiency and timely delivery. Despite these challenges, Innovatech's management remains optimistic. They believe that the company's strength in cost-effective manufacturing and innovative product design provides a solid foundation to compete successfully in the global smart home market, provided they make thoughtful and strategic decisions throughout their expansion journey.

- (a) Evaluate the pros and cons of the different international entry modes available to Innovatech. Which mode would you recommend and why? **07**
- (b) How can Innovatech leverage its existing strengths to gain a competitive advantage in international markets? **07**

OR

- (a) What competitive strategy should Innovatech pursue to stand out against well-established global players in the smart home industry? **07**
- (b) Which external environmental factors are impacting Innovatech's expansion strategy? **07**
