

**GUJARAT TECHNOLOGICAL UNIVERSITY**  
**MBA-SEMESTER-III-EXAMINATION-WINTER-2024**

Subject Code: 1539601

Date: 12/12/2024

Subject Name: Strategic Management

Time: 10:30 AM TO 01:30 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. No.	Question Text and Description	Marks
Q.1	Explain following terms: (a) Stakeholders (b) Core Competency (c) Vision (d) Capabilities (e) Emergent Strategy (f) Conglomerate Discount (g) Driving Forces	14
Q.2	(a) How do strategic groups influence the development and implementation of business strategy? Explain the key concepts and their impact on competitive positioning.	07
	(b) Evaluate the effectiveness of the Resource-Based Model in shaping a firm's competitive advantage.	07
<b>OR</b>		
	(b) Assess the application of Porter's Five Forces Model in analyzing the competitive dynamics of an industry or company of your choice.	07
Q.3	(a) Classify the internal and external factors involved in a SWOT analysis and explain their importance.	07
	(b) Critically evaluate the value chain of a company of your choice, identifying areas for potential improvement and competitive advantage.	07
<b>OR</b>		
Q.3	(a) Describe the key reasons companies pursue a diversification strategy.	07
	(b) Judge the relevance of the BCG Matrix in today's business environment, considering industry changes and innovations.	07
Q.4	(a) Evaluate the effectiveness of acquisitions as a strategy for achieving competitive advantage in a specific industry.	07
	(b) Assess the relationships between the different perspectives of the Balanced Scorecard and how they contribute to overall business success.	07
<b>OR</b>		
Q.4	(a) Evaluate the long-term benefits of the Triple Bottom Line approach for businesses and society as a whole.	07
	(b) Evaluate the long-term sustainability of Blue Ocean Strategy as a competitive advantage in various industries	07

Q.5

**CASE STUDY:**

ABC Tech, a global software company, found itself at a crossroads in 2020 due to disruptive technological advancements and unpredictable market shifts. The company, which had been a market leader for decades, faced increased competition from agile start-ups leveraging AI and cloud-based services. Their traditional software solutions no longer met customer needs, and revenues began to decline rapidly.

The company's CEO, Mr. Ranjan Das, recognized the need for change but was apprehensive about the complexities involved in transforming the organization. To understand the situation better, Ranjan employed the VUCA framework to assess the company's environment.

- **Volatility:** The pace of change in the tech industry had become increasingly unpredictable, with new technologies emerging almost every quarter. ABC Tech's stable and consistent revenue models were now at risk due to the rapid adoption of cloud-based services.
- **Uncertainty:** The future of the industry was difficult to forecast. Customer needs were evolving, and there was no clear indication of which technologies would dominate the market in the next five years. The company had no solid data on whether its planned investment in AI-based products would pay off.
- **Complexity:** ABC Tech's internal systems were heavily outdated. Integrating new cloud-based systems required significant restructuring. The company had complex stakeholder relationships, and resistance to change was evident at various levels of the organization.
- **Ambiguity:** It was unclear which markets ABC Tech should target. While the company was traditionally focused on large enterprise clients, the rise of small and medium-sized businesses using SaaS models blurred the lines. This ambiguity made strategic planning highly challenging.

Ranjan knew that managing change in this VUCA world required an agile approach. He initiated a series of steps to realign the company:

1. **Agile Leadership:** Ranjan empowered cross-functional teams to work autonomously. Instead of a top-down approach, leadership encouraged team members to test new ideas and make quick decisions to adapt to the changing environment.
2. **Cultural Transformation:** To reduce resistance to change, Ranjan introduced a culture of experimentation and learning. Employees were encouraged to embrace uncertainty and focus on continuous improvement rather than perfection.
3. **Strategic Partnerships:** Recognizing the complexity of the market, Ranjan decided to collaborate with AI start-ups. This allowed ABC Tech to integrate AI into its existing platforms, reducing the time and complexity of developing these capabilities in-house.
4. **Customer-Centric Approach:** To navigate ambiguity, the company adopted a customer-first strategy. ABC Tech conducted regular feedback sessions with clients to understand their evolving needs, allowing the company to pivot its strategy based on real-time data.

The result was a transformation that allowed ABC Tech to regain its competitive edge. By managing change through the lens of VUCA, the company not only survived but thrived in a volatile, uncertain, complex, and ambiguous environment.

- (a) How did ABC Tech address the challenges posed by volatility in the tech industry? **07**
- (b) What role did leadership play in managing the complexity within ABC Tech? **07**

**OR**

- Q.5 (a) How did Ranjan's customer-centric approach help reduce ambiguity for ABC Tech? **07**
- (b) In what ways did strategic partnerships assist in managing uncertainty? **07**

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