

Enrollment No./Seat No.:

**GUJARAT TECHNOLOGICAL UNIVERSITY**  
**MBA - SEMESTER - III EXAMINATION - WINTER 2025**

**Subject Code: MB03000021**

**Date: 16-12-2025**

**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.**

	<b>Marks</b>
<b>Q.1</b> ALL 7 Questions must be Compulsory.	<b>14</b>
(a) Emergent Strategy	
(b) Strategic Groups	
(c) Competitive Advantage	
(d) Strategic Alliances	
(e) Blue Ocean Strategy,	
(f) VUCA	
(g) Conglomerate Diversification	
<b>Q.2 (a)</b> What is Strategic Management? Explain in detail the major steps involved in Strategic Management as a process.	<b>07</b>
(b) Distinguish between the I/O model and the resource-based model. Which is more relevant for generating above-average returns?	<b>07</b>
<b>OR</b>	
(b) You are planning to launch a new solar panel-based business, explain various external factors which might affect your business with the help of PEST analysis.	<b>07</b>
<b>Q.3 (a)</b> What is Diversification? Discuss the levels and types of Diversification available for formulating the Corporate Strategy.	<b>07</b>
(b) What is Value Chain Analysis? As businesses shift from traditional to online models, how might their value chains need to change or adapt?	<b>07</b>
<b>OR</b>	
(a) What are the kinds of business level strategies? Explain.	<b>07</b>
(b) Explain resources, capabilities, and core competencies. How are these concepts useful for developing a competitive advantage that leads to sustainable success for an organization?	<b>07</b>
<b>Q.4 (a)</b> Explain Triple bottom line approach with necessary examples.	<b>07</b>

- (b)** Discuss the concept of Strategic Leadership in Strategy Implementation with an example. What are the important characteristics of a Strategic Leader? **07**

**OR**

- (a)** What is a Balanced Score Card? How does it help companies achieve their Strategic objectives? **07**
- (b)** Explain the relationship between Corporate Social Responsibility and Sustainability for business organizations. A socially responsible and sustainable business organization is the best Strategy. Discuss. **07**

**Q.5**

In 2007, three years ahead of its goal, Toyota became the largest automaker in the world. Toyota sold 2.35 million vehicles in the first quarter of 2007, 900,000 more than General Motors. It was the first time in many years that a company other than GM had sold the most vehicles in any one time period. Many analysts praised the automaker for accomplishing its goal. Toyota has many positive attributes. The Toyota brand has come to mean reliability at an affordable price. Furthermore, while sales of Toyota vehicles have levelled off in Europe due to European Union policies designed to limit sales of Toyota products, the company plans to build five more large assembly plants in North America by 2016. That would bring Toyota's total to 13 plants and 50,000 employees in North America. Toyota first entered the Chinese market with exported cars built in Japan in the 1960s. Interestingly, it did not begin manufacturing autos in China for the Chinese market until 2002, 10 years after Volkswagen did. The two leaders in the Chinese auto market are VW and GM. Toyota built manufacturing facilities in China as a part of a joint venture with FAW China. Toyota began pushing the sales of a small, modestly priced auto, the Vios, a similar strategy used for many emerging economy countries. Although its initial sales were positive, they weakened as Chinese customers seemed more interested in luxury cars. However, Toyota rebounded quickly with the introduction in 2006 of the Camry, a popular auto in many international markets. Its sales reached 150,000 units in 2007. Toyota also formed other joint ventures in China, such as one with Guangzhou Automotive Group to manufacture engines. Still Toyota must build its brand name in China and also has to fend off anti-Japanese sentiment left over from Japanese government's actions in World War II. For these reasons and its late start, it has a large gap in sales to overtake the market leaders. Toyota is also experiencing some problems in other international markets. For example, in North America, the number of recalls of its vehicles has tripled in recent years. And customer satisfaction has declined with the J.D. Powers ratings listing Toyota 28th out of 36 in customer experience. Analysts suggest that the reason for these outcomes is Toyota's relentless pressure to increase sales, sometimes at the expense of customer satisfaction. Because of these problems, Toyota has begun a new program in North America named EM2, Everything Matters Exponentially. The emphasis is on improving product planning, customer service, sales and marketing, along with the car dealerships. China's major international initiative in the 2000s has been the Chinese market. Thus, it may have "taken its eye off of the North American market a little. However, it cannot afford to slip in the lucrative North American market while it fights for market share in China. Thus, it will be interesting to observe whether Toyota can regain its customer satisfaction in North America, continue to build market share there, and make gains in the Chinese market simultaneously.

Michael A. Hitt, R. D. (2009). Strategic Management: Competitiveness and Globalization (Concepts and Cases) (8th ed.). USA: South-Western Cengage Learning.

- (a) Based on Toyota's performance in different global markets (North America, Europe, and China), how would you classify its product lines and regional operations within the BCG Matrix categories and what strategic actions should Toyota take for each segment? **07**
- (b) Using the GE Matrix, how should Toyota prioritize its investments among its global markets (North America, Europe, and China), considering factors such as market attractiveness and business strength? **07**

**OR**

- (a)** What type of international corporate strategy best describes Toyota's approach to managing its operations in North America, Europe, and China, and what adjustments should Toyota make to strengthen its global competitiveness? **07**
- (b)** Applying McKinsey's 7S Framework, how can it be aligned to support both its quality improvement goals (through EM2) and its expansion strategy in China? **07**

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