

Seat No.: \_\_\_\_\_

Enrolment No. \_\_\_\_\_

**GUJARAT TECHNOLOGICAL UNIVERSITY**  
**MBA – SEMESTER 3– • EXAMINATION – WINTER 2016**

**Subject Code: 2830001**

**Date: 30/12/2016**

**Subject Name: Strategic Management (SM)**

**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.

6

- Q.1 (a)** BCG in BCG matrix stands for
- A. Boston Calmette B. British Consulting Group  
Group
1. C. Boston Consulting Group D. Boston Corporate Group
- Low cost, Differentiation and Focus are examples of
2. A. Corporate strategies B. Operational Strategies  
C. Business Strategies D. Functional Strategies
- The competencies or skills that a firm employs to transform inputs into outputs are:
3. A. Tangible resources. B. Intangible resources.  
C. Organizational capabilities. D. Reputational resources.
- The word tactic is most likely to be associated with:
4. A. Business Strategy B. Corporate strategy  
C. Operational Strategy D. All of the above
- The three dimensions of a firm's relationships with customers include all the following EXCEPT
5. A. Exclusiveness. B. Affiliation.  
C. Richness. D. Reach.
- Internal analysis enables a firm to determine what the firm
6. A. Can do. B. Should do.  
C. Will do. D. Might do.
- Q.1 (b)** 1) Define Slow cycle market **04**  
2) Ethical Behavior  
3) Explain the term Down Scooping  
4) Explain SWOT analysis
- Q.1 (c)** Describe the Six Segments of general environment. **04**
- Q.2 (a)** Describe a value chain analysis. How does a value chain analysis help a firm gain competitive advantage? **07**
- (b)** Explain the role of setting objectives in the strategic management process with suitable examples. **07**

OR

- (b) How do firms enter into the International Market? 07
- Q.3 (a) Differentiate between multinational, global and transnational strategies. Which one works in the current scenario? Why? 07
- (b) Write a short note on executive compensation. Give suitable examples. 07
- OR
- Q.3 (a) Discuss the importance of restructuring in the current scenario. 07
- (b) Write a short note on balanced scorecard. 07
- Q.4 (a) What are the advantages and disadvantages of being a first mover, second mover, and late mover? 07
- (b) What do you mean by Ethics in organization and organization's social responsibility? Exemplify your answer with at least two Indian Corporate Houses following Ethics. 07
- OR
- Q.4 (a) Explain I/O Model of Above Average return with a diagram. 07
- (b) Explain **Porter's Five Force Model** with application in an organization of your choice. 07
- Q.5 After 60 years of pedaling hospitality through its chain of luxury hotels, the famous Oberoi name is about to be transferred into a consumer products brand. East India Hotels has drawn up plans to become a multi-product, multi-divisional empire through a series of diversification moves. 14

The expansion will see the high profile hotel group venture into unfamiliar terrain-food processing, edible oils, tissue paper and health care. These will be in addition to the existing software division.

The first move will see the launch of a variety of processed foods every meal from breakfast to dinner as well as chocolates, spices and mineral water. The plan is to target only the up market segment by feeding on as well as nourishing the brand's reputation. Edible oil, for instance, will be positioned as a product of specialty cooking. The Oberoi brand name is also extended to international quality tissue paper. The Oberoi, after the experience of managing the catering business division of a major hospital in Saudi Arabia, now plan to set up a 250 bed, Rs 40 crore hospital in Delhi with US or Australian collaboration. The Oberoi software division has already started selling its hotel management packages in the domestic market and planning to enter the international market using an international tie-up.

Question

- 1) Has East India Hotels capitalized on its strengths in its growth plan? If so, how?
- 2) What are the internal and external weakness the company has attempted to overcome in its growth plan and how?

OR

- Q.5 Many states are Experiencing budget shortfalls. There was news on news channel that Delhi Government was considering raising its tax on cigarettes to increase its tax receipts. The average tax per pack of cigarettes in Delhi was Rs 5. Delhi is 14

considering raising its taxes from Rs 5 to Rs 10, which is predicted to increase tax revenue by Rs 570 million.

We know that cigarette industry is not perfectly competitive. The manufacturers are not price-takers but price-makers. The industry is dominated by two large firms: ITC and Godfrey Phillips India.

Question

- 1) If ITC raises its price, how will Godfrey Phillips India respond?
- 2) Is there any way ITC and Godfrey Phillips India can keep prices high?
- 3) Is it credible for ITC to threaten a price war with Godfrey Phillips India if Godfrey Phillips India lowers its price?

\*\*\*\*\*