

**GUJARAT TECHNOLOGICAL UNIVERSITY**  
**M.B.A -III<sup>rd</sup> SEMESTER-EXAMINATION – MAY/JUNE- 2012**

**Subject code: 830001**

**Date: 28/05/2012**

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

**Time: 02:30 pm – 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.

**Q.1 (a)** Describe the industrial organization (I/O) model of above-average returns. What are its main assumptions? What is the key to success according to the I/O model? **07**

**(b)** Describe the six segments of the general environment. **07**

**Q.2 (a)** What are the differences between tangible and intangible resources? Which category of resources is more valuable to the firm? **07**

**(b)** Describe a value chain analysis. How does a value chain analysis help a firm gain competitive advantage? **07**

**OR**

**(b)** Describe and discuss the resource-based model of above-average returns. **07**

**Q.3 (a)** Discuss how a cost leadership strategy can allow a firm to earn above-average returns in spite of strong competitive forces. Address each of the five competitive forces. **07**

**(b)** What are the advantages and disadvantages of being a first mover, second mover, and late mover? **07**

**OR**

**Q.3 (a)** Differentiate between corporate-level and business-level strategies. What are the five categories of businesses based on level of diversification? **07**

**(b)** Identify and explain the seven reasons firms engage in an acquisition strategy. **07**

**Q.4 (a)** Identify and describe the modes of entering international markets. What are their advantages and disadvantages? **07**

**(b)** How does corporate governance foster ethical strategic decisions and how important is this to top-level executives? **07**

**OR**

**Q.4 (a)** Define the three major dimensions of organizational structure: specialization, centralization, and formalization. How do these dimensions vary in organizations implementing the cost-leadership, differentiation, and the cost-leadership/differentiation strategies? Also discuss structures used to implement the three international strategies **07**

**(b)** Describe what strategic leaders can do to establish and emphasize ethical practices. **07**

**Q.5 (a)** How companies like Tata Motors, Hyundai etc were able to pose big threat to certain models of MUL. Explain **07**

**(b)** Make a thorough SWOT analysis of MUL considering future challenges ahead. **07**

**OR**

- Q.5 (a)** Varina Nissen joined Manpower Australia and New Zealand as Managing Director in 2003. When Nissan joined Manpower, the company was facing a number of significant challenges. Nissan undertook several initiatives in strategy formulation and its execution. Based on the case study of Manpower – Australia , answer the following questions : **07**  
What are strategic themes identified and strategic initiatives proposed
- (b)** Why Balance Score Card tool was chosen by Nissan as the strategy implementation tool **07**

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