	Seat N	No.: Enrolment No	
	GUJARAT TECHNOLOGICAL UNIVERSITY		
		M.E –II <sup>st</sup> SEMESTER–EXAMINATION – JULY- 2012	
	Subj	ect code: 1721407 Date: 14/07/2012	,
	Subj	ect Name: Strategic Management	
	Time	e: 10:30 am – 13:00 pm Total Marks: 70	)
		ructions:	
	1.	Attempt all questions.	
	2.	Make suitable assumptions wherever necessary.	
	3.	Figures to the right indicate full marks.	
<b>Q.1</b>	(a)	Enlist & explain elements of strategic management.	<b>07</b>
	<b>(b)</b>	Explain significance of policies in an organization.	07
Q.2	(a)	Compare and contrast between strategic management and operation management.	07
	<b>(b)</b>	Explain different types of strategies.	<b>07</b>
		OR	
	<b>(b)</b>	Explain (i) Mission (Ii) Vision (Iii) Objectives	07
Q.3	(a)	Explain with suitable examples the effect of societical and legal factors of PESTEL	07
		model on the industry.	
	<b>(b)</b>	Discuss about corporate decision making.	07
Q.3	(a)	<b>OR</b> Discuss the role of human element to ensure effective implementation of strategy.	07
Ų.S	(a) (b)	Enlist and briefly explain various levels of strategy.	07
	( <b>D</b> )	Emist and offerty explain various levels of strategy.	07
<b>Q.4</b>	(a)	Explain G.E nine cell model.	07
	<b>(b)</b>	Discuss various alternative strategies available for the managers to take completion against rival.	07
		OR	
Q.4	(a)	Explain the process of strategic management.	07
Q.4	<b>(b)</b>	Write a note on SWOT analysis for any dairy products producer in India.	07

DD is the India's premier public service broadcaster with more than 1,000 transmitters covering 90% of the country's population across an estimated 70 million homes. It has more than 20,000 employees managing its metro and regional channels. Recent years have seen growing competition from many private channels numbering more than 65, and the cable and satellite operators (C & S). The C & S network

reaches nearly 30 million homes and is growing at a very fast rate.

Read the following case and answer the questions at the end:

**Q.5** 

DD's business model is based on selling half-hour slots of commercial time to the programme producers and charging them a minimum guarantee. For instance, the present tariff for the first 20 episodes of a programme is Rs. 30 lakhs plus the cost of production of the programme. In exchange the producers get 780 seconds of commercial time that he can sell to advertisers and can generate revenue. Break-even point for producers, at the present rates, thus is Rs. 75,000 for a 10 second advertising spot. Beyond 20 episodes, the minimum guarantee is Rs. 65 lakhs for which the producer has to charge Rs. 1,15,000 for a 10 second spot in order to break-even. It is at this point the advertisers face a problem - the competitive rates for a 10 second spot is Rs. 50,000. Producers are possessive about buying commercial time on DD. As a result the DD's projected growth of revenue is only 6-10% as against 50-60% for the private sector channels. Software suppliers, advertisers and audiences are deserting DD owing to its unrealistic pricing policy. DD has three options before it. First, it should privatise, second, it should remain purely public service broadcaster and third, a middle path. The challenge seems to be to exploit DD's immense potential and emerge as a formidable player in the mass media.

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- (i) What is the best option, in your view, for DD?
- (ii) Why to you think that the proposed alternative is the best?

OR

## Q.5 Read the following case and answer the questions at the end:

Dr. Sukumar inherited his father's Dey's Lab in Delhi in 1995. Till 2002, he owned 4 labs in the National Capital Region (NCR). His ambition was to turn it into a National chain. The number increased to 7 in 2003 across the country, including the acquisition of Platinum lab in Mumbai. The number is likely to go to 50 within 2-3 years from 21 at present. Infusion of Rs. 28 crores for a 26% stake by Pharma Capital has its growth strategy.

The lab with a revenue of Rs. 75 crores is among top three Pathological labs in India with Atlantic (Rs. 77 crores) and Pacific (Rs. 55 crores). Yet its market share is only 2% of Rs. 3,500 crores market. The top 3 firms command only 6% as against 40-45% by their counterparts in the USA.

There are about 20,000 to 1,00,000 stand alone labs engaged in routine pathological business in India, with no system of mandatory licensing and registration. That is why Dr. Sukumar has not gone for acquisition or joint ventures. He does not find many existing laboratories meeting quality standards. His six labs have been accredited nationally whereon many large hospitals have not thought of accreditation; The College of American pathologists accreditation of Dey's lab would help it to reach clients outside India.

In Dey's Lab, the bio-chemistry and blood testing equipments are sanitised every day. The bar coding and automated registration of patients do not allow any identity mixups. Even routine tests are conducted with highly sophisticated systems. Technical expertise enables them to carry out 1650 variety of tests. Same day reports are available for samples reaching by 3 p.m. and by 7 a.m. next day for samples from 500 collection centres located across the country. Their technicians work round the clock, unlike competitors. Home services for collection and reporting is also available.

There is a huge unutilised capacity. Now it is trying to top other segments. 20% of its total business comes through its main laboratory which acts as a reference lab for many leading hospitals. New mega labs are being built to Encash preclinical and multi-centre clinical trials within India and provide postgraduate training to the pathologists.

- (i) What is the marketing strategy of Dr. Sukumar to overtake its competitors?
- (ii)In your opinion what could be the biggest weakness in Dr. Sukumar's business strategy?

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