

JAIPURIA INSTITUTE OF MANAGEMENT, NOIDA
POST GRADUATE DIPLOMA IN MANAGEMENT

Third Trimester (Batch 2017-19)

END TERM EXAMINATION

(April 2018)

Set B

Course Name	Strategic Management-I	Course Code	GM 301
Max. Time	120 minutes	Max. Marks	40

Instructions: All Questions are compulsory. Be Concise.

1. Analyze the Mission Statement of M/s Dell Computers, given below, with respect to the Main Components of a Mission Statement.

Mission Statement of 'Dell Computers'

“Dell’s mission is to be the most successful computer company in the world at delivering the best customer experience in markets we serve. In doing so, Dell will meet customer expectations of highest quality; leading technology; competitive pricing; individual and company accountability; best-in-class service and support; flexible customization capability; superior corporate citizenship; financial stability”.

(5 Marks)

2. Analyze the ‘Indian Passenger Car Industry’ using Porter’s Five Forces Model clearly indicating the level of impact of each force in terms of low, medium or high, and your recommendations regarding entering the Passenger Car Industry or otherwise with full justification. (10 Marks)

3. “Big Bazaar is an Indian retail store that operates as a chain of hypermarkets, discount department stores, and grocery stores. The retail chain was founded by Kishore Biyani under his parent organization Future Group, which is known for having a significant prominence in Indian retail and fashion sectors. Big Bazaar is also the parent chain of Food Bazaar, Fashion at Big Bazaar (abbreviated as *fb*) and eZone where at locations it houses all under one roof, while it is sister chain of retail outlets like Brand Factory, Home Town, Central, eZone, etc.”.

(a). Which Generic Strategy is being pursued by ‘Big Bazaar’? Comment on it. (5 Marks)

(b). Briefly describe the Value Chain for its ‘Primary Activities’ and ‘Support Activities’ using Porter’s Value Chain Model. (5 Marks)

4. Given the following information, develop a SPACE Matrix for the XYZ Corporation i.e. draw the company vector and suggest the grand strategies.:

Financial Position(FP)	= +2	Stability Position(SP)	= -6	
Competitive Position(CP)	= -2	Industry Position(IP)	= +4	(5 Marks)

5. Case- Hero Motocorp plans aggressive foray into electric vehicles market

Motorcycle market leader Hero Motocorp is planning an aggressive foray into electric mobility both through its in-house R&D facility in Jaipur as well as the Rs 205 crore investment in Bengaluru-based startup Ather Energy. According to company officials, the plan is to launch both electric scooters and motorcycles. "We are definitely getting into electric mobility. We have invested in Ather Energy (30% stake) which will launch its brand and products in a matter of months. Hero Motocorp will also be developing electric motorcycles and scooters on its own which will be launched under our own brand and that R&D work is currently underway," said Pawan Munjal, CMD, Hero Motocorp. Hero Electric, which was part of the earlier larger Hero group before the family settlement nearly 9 years ago, is already into electric two-wheelers but Munjal does not consider it a problem. "Hero Electric is a completely different part of the erstwhile larger Hero group and after the settlement, it is now an independent entity. Any company has the right to get into whatever business they think will work for them. So, it is not an issue," added Munjal. He, however, declined to specify the investments lined up for Hero Motocorp's electric entry. Hero Motocorp announced its 8th factory at Sri City in Andhra Pradesh. The company is investing Rs 1,600 crore in the new plant which will have a capacity of 1.8 million units and will become operational before December 2019. The investment will be in phases and the first phase of Rs 800 crore will come in the coming months. It is part of Hero Moto's Rs 2,500 crore capex lined up for two years. The plant will be entirely funded through internal accruals. The Sri City plant will take Hero Motocorp's combined installed capacity to 11 million units from the current 8 million units plus. The new capacity is needed to service buoyant domestic demand as well as target new export markets like Mexico. "We will also use this Sri City plant as an export hub," said Munjal. Hero Motocorp, which has benefitted from the demand pick up in the commuter and executive motorcycle segments, intends to use its volumes and margins in this mass market to push for market share in premium motorcycles and scooters. "We have to sustain the economy and executive motorcycle segments which have big volumes and helps us to do other things," said Munjal. "Till the volumes come from the premium segment and scooters, they will have to be backed by our big volumes in the economy and executive motorcycle segments which will act as a launch pad because we need cash and volumes from somewhere to target market share in premium motorcycles and scooters," he added.

Case Question:

5. Identify the specific strategies being adopted by Hero Motocorp. Analyze the pros and cons of the strategies. (10 Marks)