(b) Which implementation challenges could have derailed the strategy, and how were they addressed? (4)

(c) What role did leadership and culture change play in this turnaround? (4)

(d) Can Tata Motors' EV strategy be replicated by other Indian automakers? Why or why not? (3)

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PG Even Semester Examination, May 2025

BUSINESS ADMINISTRATION

(4th Semester)

Course No.: CP-402

(Strategic Management)

Full Marks: 70

Pass Marks: 28

Time: 3 hours

The figures in the right margin indicate full marks for the question.

1. What is strategy? What are the Levels of Strategy? Define strategic Management. Why is strategic management needed? What are the steps involved in strategic Management process? (1+3+2+3+5)

OR

2. (a) Who are the stakeholders of a firm? Discuss the need for balancing of stakeholders' claims. (2+5)

   (b) Define Organization's Values and Culture. What is the impact of culture on Organization's Strategy?

3. Define Environmental Scanning. Explain the various external environment variables in the context of PESTLE framework. 4+10

OR

4. a. Describe the Porter's Five Forces of Competition Framework. 8

   b. Write note on Strategic groups and Scenario Planning. 6

5. What is an Internal Environment? What are the components of the Internal Environment? What is the purpose of Internal Environment Analysis? Discuss briefly 3 techniques used in internal environment analysis. (1+2+2+3x3)

OR

6. Write a short note on any 4 of the following: 4x3.5=14

   i. BCG Matrix,

   ii. Blue Ocean and Red Ocean Strategies,

   iii. Just in time

   iv. Six Sigma,

   v. Economies of scale,

   vi. Experience Curve.

   vii. McKinsey's 7s framework

7. CASE STUDY

   Meters Limited is a company engaged in the designing, manufacturing, and marketing of instruments like speed meters, oil pressure gauges, and so on, that are fitted into two and four wheelers. Their current investment in assets is around Rs. 5 crores and their last year's turnover was Rs. 15 crores, just adequate enough to breakeven. The company has been witnessing over the last couple of years, a fall

- Internal Resistance: Many employees were skeptical about the design-first approach, as Tata was traditionally engineering-led.
- Legacy Systems: Outdated IT systems and dealership practices slowed down digital initiatives.
- Brand Perception: Changing customer perception took time, especially among urban millennial buyers.
- Coordination across verticals: Integrating design, engineering, marketing, and sales teams under a unified vision required strong leadership.

Results:

By 2021, Tata Motors saw a dramatic turnaround:

- Became the third-largest PV manufacturer in India.
- Nexon became one of the top-selling SUVs and India's first 5-star GNCAP safety-rated car.
- Tata became the market leader in EVs in India by 2022, with the Nexon EV and Tigor EV.

The strategy had worked—but only because of effective implementation.

Discussion Questions:

(a) What were the key strategic choices Tata Motors made to turn around its PV business? (3)

in their market share prices since many customers are switching over to a new range of electronic instruments from the range of mechanical instruments that have been the mainstay of Meters Limited. The Company has received a firm offer of cooperation from a competitor who is similarly placed in respect of product range. The offer implied the following: (i) transfer of the manufacturing line from the competitor to Meters Limited; (ii) manufacture of mechanical instruments by Meters Limited for the competitor to the latter's specifications and brand name; and (iii) marketing by the competitor. The benefits that will accrue to Meters Limited will be better utilization of its installed capacity and appropriate financial compensation for the manufacturing effort. The production manager of Meters Limited has welcomed the proposal and points out that it will enable the company to make profits. The sales manager is doubtful about the same since the demand for mechanical instruments is shrinking. The Chief Executive is studying the offer.

Read the above case and answer the following questions:

(a) What is divestment strategy? Do you see it being practised in the given case? Explain. (4)

(b) What is stability strategy? Should Meters Limited adopt it? (4)

(c) What is expansion strategy? What are the implications for Meters Limited in case it is adopted? (4)

(d) What are your suggestions to the Chief Executive? (2)

8. Case study

Tata Motors, one of India's largest automobile manufacturers, had a successful legacy in commercial vehicles but struggled in the passenger vehicle (PV) segment during the early 2010s. The company faced stiff competition from global brands like Maruti Suzuki, Hyundai, and Honda, and was losing market share. Its products were considered outdated, and the brand lacked emotional connect with younger customers.

Strategic Shift (2016–2020):

In 2016, Tata Motors launched a transformation plan called Turnaround 2.0, which focused on:

1. Product Revamp: Introduction of new platforms like the IMPACT Design Philosophy, leading to popular models like Tiago, Nexon, and Harrier.

2. Customer-Centric Approach: Redesigning showrooms, digitizing the customer journey, and enhancing after-sales service.

3. Cost Optimization: Streamlining manufacturing and improving supply chain efficiency.

4. Focus on Safety & Sustainability: Promoting high-safety-rated vehicles and investing early in EVs (Electric Vehicles).

Challenges in Implementation: