



UNIVERSITY OF PETROLEUM AND ENERGY STUDIES
End Semester Examination, May2025

Course: Strategic Management-I
Program: MBA S&C
Course Code: STGM7014_3

Semester : II
Duration : 03 hrs.
Max. Marks: 100

Instructions:

Attempt all questions .

MCQ should be answered with explanation, else it would not be evaluated.

Use estimations, and suitable framework and model when required and applicable

Q.No	Section A	10Qx2 M=20M arks	COs
Q1	<p>1. In company's environment, company's customers are part of which of the following.</p> <p>a: Internal environment b: Micro environment c: Macro environment d: external environment</p> <p>2. The competencies or skills that a firm employs to transform inputs into outputs are are:</p> <p>a: Tangible resources b: Intangible resources c: Organizational capabilities d: Reputational resources</p> <p>3. To find out what an organization;s strategy is, you should:</p> <p>a: Read the mission statement b: Look at what the Organization really does c: Read the strategic plan d: Ask the CEO</p> <p>. 4A vision statement primarily describes:</p> <p>a) How the company plans to operate daily b) The company's future aspirations c) The current financial situation d) The organizational structure</p> <p>5. Which of the following is considered an internal source of competitive advantage?</p> <p>a) Economic environment</p>		CO1

	<p>b) Customer preferences c) Brand reputation d) Regulatory framework</p> <p>6.The first step in the strategic management process is: a) Implementing strategy b) Evaluating strategy c) Setting objectives d) Defining the mission and vision</p> <p>7. A company facing strong competition and falling profits should first: a) Hire more employees b) Conduct a SWOT analysis c) Increase prices d) Reduce quality</p> <p>8. Which of the following is not part of the micro environment? a: Technology b Shareholders c: Competitors d: Public</p> <p>9. Which of the following are not patentable a. Humans b. technology c. Utility d. Process</p> <p>10. Competitive Nullification is a. Erosion of competition b. Erosion of Competitors c. Erosion of customer d. Erosion of Product</p>		
	Section B	4Qx5M = 20 Marks	
Q2	<p>Short Notes</p> <ol style="list-style-type: none"> 1. Strategic Stance and Strategy Diamond model 2. Hofstede and Trompenaars cultural dimension 3. Copy left and Copywrong 4. Design patent Vs Utility Patent 		CO2

	Section C	3Qx10 M=30 Marks	
Q3	<p>The Whistleblower at GreenTech</p> <p>Background: GreenTech Solutions is a successful company known for its innovative solar panels. Emma, a senior engineer, discovers during a routine inspection that the company has been using a cheaper, substandard material in their panels — a material that could cause panels to fail after a few years. This decision was made secretly by top management to cut costs and improve profit margins.</p> <p>Emma is torn. Reporting this could save customers from potential harm and protect the company's long-term reputation. However, blowing the whistle could cost Emma her job, damage her career, and potentially bring a major scandal to GreenTech.</p> <p>The Ethical Dilemma: Should Emma stay silent to protect her job and the company's short-term success, or should she report the wrongdoing, risking her career but upholding ethical standards and customer trust?</p>	10	CO3
Q4	<p>A couple opens a cozy, independent coffee shop called Bean Haven in a town of 50,000 people. They offer artisan coffee, homemade pastries, and a relaxing atmosphere.</p> <p>Porter's Five Forces Analysis:</p> <ol style="list-style-type: none"> Competitive Rivalry (High) <ul style="list-style-type: none"> There are already a few established coffee chains (like Starbucks) and some local cafés. Customers can easily switch between coffee shops based on taste, price, or ambiance. Threat of New Entrants (Moderate) <ul style="list-style-type: none"> Opening a new café is not extremely costly or difficult. However, strong local loyalty and established brand names might deter some newcomers. Threat of Substitutes (High) <ul style="list-style-type: none"> Customers could easily substitute coffee with energy drinks, tea, or even making coffee at home. Convenience stores and fast-food restaurants also offer cheaper coffee options. Bargaining Power of Buyers (High) <ul style="list-style-type: none"> Customers have many choices and can easily switch if they find a better price or experience elsewhere. Loyalty programs or unique offerings become crucial to keep customers. Bargaining Power of Suppliers (Low) <ul style="list-style-type: none"> Coffee beans and pastry ingredients can be sourced from multiple suppliers. 	10	

	<ul style="list-style-type: none"> ○ Bean Haven can negotiate or switch suppliers relatively easily if prices increase. <p>As consultant , suggest strategies</p>		
Q5	<p>Tech Rollout at SwiftBank</p> <p>SwiftBank, a mid-sized regional bank, decided to implement a new AI-driven customer service chatbot to improve response times and reduce workload on human agents. While the technology promised efficiency, the rollout was rushed without adequate staff training or customer testing. As a result, customers experienced incorrect responses, transaction errors, and frustration, leading to a spike in complaints and a drop in customer trust. The leadership quickly realized that successful technology implementation requires not just the tool, but also thorough planning, employee training, and user feedback integration.</p> <p>As a consultant , suggest solutions</p>	10	
Q6	<p>Starbucks – Brewing Global Success through Strategic Management</p> <p>Introduction to Starbucks' Strategic Growth</p> <p>Starbucks Corporation, founded in 1971 in Seattle, Washington, started as a single coffee shop selling premium coffee beans and equipment. Under the leadership of Howard Schultz, Starbucks transformed from a local retailer into the world's largest specialty coffee brand. Schultz envisioned Starbucks not merely as a place to buy coffee, but as a "third place" between work and home, providing customers a unique experience.Strategic management played a crucial role in Starbucks' success. The company focused on premium product quality, store ambiance, customer service, and brand positioning. Expansion strategies were carefully planned, starting with dense clusters of stores in select cities to create brand recognition and operational efficiencies.Starbucks also embraced innovation early by offering Wi-Fi in stores, mobile payment options, and loyalty programs, strengthening customer engagement. Over time, it expanded internationally, adapting to different cultures while maintaining its core brand values.</p> <p>Strategic Challenges and Adaptations</p>	30 Marks	CO4

	<p>Despite its massive growth, Starbucks faced several strategic challenges:</p> <p>Market Saturation:In the mid-2000s, rapid expansion led to the opening of too many stores in proximity, resulting in cannibalization of sales.</p> <p>Economic Downturn:The 2008 financial crisis hit discretionary spending hard. Starbucks' premium-priced offerings seemed less attractive during tough economic times.</p> <p>Competition:Emerging competitors like Dunkin' Donuts and McDonald's began offering quality coffee at lower prices, intensifying competition.</p> <p>Strategic Response:Howard Schultz returned as CEO in 2008 and initiated a "Transformation Agenda." Starbucks closed underperforming stores, re-trained baristas to improve coffee quality, simplified operations, and re-focused on customer experience. Additionally, Starbucks diversified its product lines by selling its coffee in supermarkets and launching ready-to-drink beverages.Internationally, Starbucks adjusted its menu and store designs to better fit local tastes — for example, offering green tea-based beverages in China and introducing region-specific food items.</p> <p>Strategic Innovations and Sustainability Initiatives</p> <p>Starbucks' strategy wasn't just about expansion; innovation and sustainability became central themes:</p> <p>Digital Strategy:Starbucks invested heavily in mobile apps, digital ordering, and personalized marketing. The Starbucks Rewards loyalty program became a model for customer retention.</p> <p>Product Diversification:The company expanded into new product categories such as Teavana teas, Evolution Fresh juices, and La Boulange bakery products.</p>		
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	<p>Sustainability and Ethical Sourcing: Starbucks set ambitious goals for ethical sourcing of coffee through its Coffee and Farmer Equity (C.A.F.E.) Practices. It committed to reducing environmental impact through initiatives like recyclable cups and greener store designs.</p> <p>Employee Engagement: Recognizing that its employees (or "partners") are key to its brand, Starbucks provided comprehensive benefits, including healthcare, stock options, and educational support, even for part-time workers. Today, Starbucks continues to evolve by investing in new store formats (like Starbucks Reserve Roasteries), expanding globally, and exploring plant-based food and beverage options to align with shifting consumer preferences.</p> <p>Case Questions:</p> <ol style="list-style-type: none"> 1. How did strategic planning help Starbucks grow from a local coffee shop to a global brand? 2. What strategic actions did Starbucks take to recover from the 2008 economic downturn? 3. How has Starbucks adapted its strategy in response to growing competition in the coffee and beverage market? 4. In what ways did digital innovation contribute to Starbucks' sustained success? 5. Evaluate Starbucks' sustainability initiatives. How do they impact the company's brand image and competitive advantage? 		
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