



**RE-4421-22**

**M. B. A. (FT & Evening) (Sem. IV)  
(Regular & ATKT) Examination**

**April / May – 2010**

**Business Policy & Strategic Management - II**

Time : 3 Hours]

[Total Marks : 100

**RE-4421**

**Instructions :**

(1)

नीचे दशांशके निशानीवाणी विगतो उत्तरवही पर अवश्य लिखनी. Fillup strictly the details of signs on your answer book.	Seat No. :
Name of the Examination :	<input type="text"/>
<input type="text" value="M. B. A. (FT &amp; EVE.) (SEM. 4) (REGULAR &amp; ATKT)"/>	<input type="text"/>
Name of the Subject :	<input type="text"/>
<input type="text" value="BUSINESS POLICY &amp; STRATEGIC MANAGEMENT - 2"/>	<input type="text"/>
Subject Code No. : <input type="text" value="4"/> <input type="text" value="4"/> <input type="text" value="2"/> <input type="text" value="1"/>	Section No. (1, 2,.....) : <input type="text" value="1"/>
	<input type="text" value="Student's Signature"/>

- (2) Answers to Section-I and Section II must be written separately in different answer books.
- (3) Figures to the right of every question indicate marks.
- (4) Question-1 in Section-I is compulsory. Attempt any two from Q-2, Q-3, and Q.4
- (5) Question 7 in Section II is compulsory. Attempt any one from Q.5 and Q.6.

- 1 Define a company's corporate culture. Explain how culture can promote better strategy execution. Explain Symbolic Culture-Changing and Substantive Culture-Changing Activities with the help of real life examples. **20**
- 2 How do policies and procedures facilitate strategy execution? Explain with the help of real life examples. **15**
- 3 What is the role of strategic control in strategy implementation process? Describe briefly different types of strategic controls used by firms to evaluate the strategy implementation process. Give examples in support of your answer. **15**
- 4 Describe the eight components model of the strategy execution process. Elaborate any two components with examples. **15**

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Name of the Subject :	
← BUSINESS POLICY & STRATEGIC MANAGEMENT - 2	
← Subject Code No. : <input type="text" value="4"/> <input type="text" value="4"/> <input type="text" value="2"/> <input type="text" value="2"/> ← Section No. (1, 2,.....) : <input type="text" value="2"/>	

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- (5) Question 7 in Section II is compulsory. Attempt any one from Q.5 and Q.6.

- 5 "Managing change is most critical to successful implementation of firm's strategy". Explain. Considering parameters such as types of change and extent of change, explain 4 different types of different types of strategic change. 20
- 6 What is strategic alliance? Describe briefly horizontal complementary strategic alliance and vertical complementary strategic alliance. Give examples in support of your answer. 20

- 7 Read the case below and answer the questions given at the end of the case : 30

### **Toyota's Legendary Production System: A Capability That Translates into Competitive Advantage**

The heart of Toyota's strategy in motor vehicles is to outcompete rivals by manufacturing world-class, quality vehicles at lower costs and selling them at competitive price levels. Executing this strategy requires top-notch manufacturing capability and super-efficient management of people, equipment, and materials. Toyota began conscious efforts to improve its manufacturing competence more than 50 years ago. Through tireless trial and error, the company gradually took what started as a loose collection of techniques and practices and integrated them into a full-fledged process that has come to be known as the Toyota Production System (TPS). The TPS drives all plant operations and the company's supply chain management practices. TPS is grounded in the following principles, practices, and techniques:

- *Deliver parts and components just-in-time to the point of vehicle assembly.* The idea here is to cut out all the bits and pieces of transferring materials from place to place and to discontinue all activities on the part of workers that don't add value (particularly activities where nothing ends up being made or assembled).
- *Develop people who can come up with unique ideas for production improvements.*
- *Emphasize continuous improvement.* Workers are expected to use their heads and develop better ways of doing things, rather than mechanically follow instructions. Toyota managers tell workers that the *T* in TPS also stands for "Thinking." The thesis is that a work environment where people have to think generates the wisdom to spot opportunities for making tasks simpler and easier to perform, increasing the speed and efficiency with which activities are performed, and constantly improving product quality.
- *Empower workers to stop the assembly line when there's a problem or a defect is spotted.* Toyota views worker efforts to purge defects and sort out the problem immediately as critical to the whole concept of building quality into the production process.

According to TPS, “If the line doesn’t stop, useless defective items will move on to the next stage. If you don’t know where the problem occurred, you can’t do anything to fix it.” The tool for halting the assembly line is the *andon* electric light board, which is visible to everyone on the production floor.

- *Deal with defects only when they occur.* TPS philosophy holds that when things are running smoothly, they should not be subject to control; if attention is directed to fixing problems that are found, quality control along the assembly line can be handled with fewer personnel.
- *Ask yourself “Why?” five times.* While errors need to be fixed whenever they occur, the value of asking “Why?” five times enables identifying the root cause of the error and correcting it so that the error won’t recur.
- *Organize all jobs around human motion to create a production/assembly system with no wasted effort.* Work organized in this fashion is called standardized work, and people are trained to observe standardized work procedures (which include supplying parts to each process on the assembly line at the proper time, sequencing the work in an optimal manner, and allowing workers to do their jobs continuously in a set sequence of subprocesses).
- *Find where a part is made cheaply and use that price as a benchmark.*

The TPS uses unique terms (such as *kanban*, *takt time*, *jikoda*, *kaizen*, *heijunka*, *monozukuri*, *poka yoke*, and *muda*) that facilitate precise discussion of specific TPS elements. In 2003, Toyota established a Global Production Center to efficiently train large numbers of shop-floor experts in the latest TPS methods and better operate an increasing number of production sites worldwide. There’s widespread agreement that Toyota’s ongoing effort to refine and improve on its renowned TPS gives it important manufacturing capabilities that are the envy of other motor vehicle manufacturers.

- (i) Explain the principles, practices and techniques inherent to Toyota Production System.
- (ii) Explain how Toyota derives competitive advantage out of its unique production system.
- (iii) How does TPS of Toyota facilitate execute its strategy of manufacturing world-class vehicles at lower costs and selling them at competitive prices?