

A CASE STUDY OF TATA EV: EVALUATING THE IMPORTANCE OF COLLABORATION AMONG STRATEGIC BUSINESS UNITS IN THE TATA GROUP

Kanchan Haresh Kedari

Student at Maratha Mandir's Babasaheb Gawde Institute of Management Studies, University of Mumbai

1. ABSTRACT

The emergence of Electric Vehicles (EVs) has significantly transformed the automotive industry, particularly in developing markets like India. This paper presents a case study of Tata Motors and its Electric Vehicle (EV) ecosystem to examine the role of synergy and collaboration among Strategic Business Units (SBUs) within the Tata Group. The study focuses on how various Tata Group companies, including Tata Power, Tata Chemicals and Tata Consultancy Services, work together to create a strong EV ecosystem. It highlights how this collaboration serves as a highly effective and commendable example of inter-SBU coordination in manufacturing and supporting EV adoption. The findings indicate that synergy among SBUs enhances operational efficiency, reduces operational costs, accelerates innovation and strengthens market competitiveness. The coordinated efforts of various Tata companies enable the development of an integrated EV ecosystem covering vehicle manufacturing, charging infrastructure, battery technology and digital mobility solutions. The paper concludes that the "One Tata" approach is a key driver behind the success of Tata EV initiatives and serves as a benchmark model for other conglomerates seeking to implement collaborative strategies across multiple business units.

KEYWORDS

Electric Vehicles (EV), Strategic Business Units (SBUs), Tata Group, Synergy, Collaboration, EV Ecosystem, One Tata Strategy, Competitive Advantage

Objectives of the Study

- To study the synergy among the Strategic Business Units (SBUs) of the Tata Group.
- To analyze how collaboration among SBUs in the Tata Group serves as a highly effective and commendable example in the manufacturing and development of Electric Vehicles (EVs).

2. INTRODUCTION

The global transition toward sustainable mobility has led to a growing emphasis on Electric Vehicles (EVs), which are considered a viable solution to reduce carbon emissions and dependence on fossil fuels. With increasing environmental concerns and government initiatives promoting clean energy transportation, the EV industry has experienced rapid growth in recent years. In India, this transition has been supported by several government initiatives aimed at encouraging the adoption of electric vehicles. Rising fuel prices, increasing environmental awareness among consumers and advancements in battery technology have further accelerated the shift toward electric mobility. In this evolving landscape, Tata Motors has emerged as one of the leading players in India's EV segment. The company has introduced several electric vehicle models that have gained strong acceptance among Indian consumers.

However, the success of Tata's EV initiatives is not solely due to the efforts of Tata Motors alone. A key factor contributing to this success is the strong synergy and collaboration among various companies within the Tata Group. As one of India's largest and most diversified conglomerates, the Tata Group operates through multiple Strategic Business Units, each specializing in different sectors such as automotive manufacturing, energy, chemicals, engineering services, and information technology. For instance, Tata Power plays a crucial role in developing EV charging infrastructure across India. Similarly, Tata Chemicals contributes to battery materials and energy storage technologies that are essential for EV performance. In addition, Tata Consultancy Services supports digital and technological advancements that enhance vehicle connectivity, software integration and smart mobility solutions

This integrated collaboration among multiple Tata companies demonstrates how synergy among Strategic Business Units can help organizations overcome industry challenges such as infrastructure limitations, technological development and supply chain coordination. The collaboration among these units has not only facilitated efficient EV manufacturing but has also helped build a comprehensive ecosystem supporting electric mobility in India. This makes the Tata EV initiative a highly appreciable and exemplary model of inter-SBU collaboration within a diversified business group. This paper aims to study the synergy among Tata Group's SBUs and analyze how their collaboration has contributed to the successful development and expansion of the EV ecosystem in India.

3. LITERATURE REVIEW

1. Electric vehicles in India, Praharsh. R

Tata Motors is leading the transition to electric vehicles in India by launching its new Nexon EV. The Nexon EV has been successful, selling over 4,000 units since 2020 and becoming India's most popular electric car. Tata is partnering with several other Tata companies to develop EVs and establish charging infrastructure. It plans to introduce 10 new electric models by 2025. The Indian government is supporting this shift to EVs through tax reductions and rebates to encourage their adoption.

2. Learnings from TATA Group - A Case Study, Vijaya Parameshwari and P. K. Suresh Kumar

The Tata Group, led by Natarajan Chandrasekaran, has a strong structure supporting diversified operations. It has improved sustainability, adopted new technologies and achieved a major milestone by acquiring Air India in 2022. Its value chain shows strong financial performance, competitive advantage, and technological growth. Efficient procurement, marketing, and after-sales services further support its overall development and market position.

3. Tata Business Practices: A Case Study, Dr. Ketan Vira

The Tata Group is highlighted as a model organization that balances strong financial performance with ethical values and social responsibility. The study shows how Tata integrates core management functions like finance, marketing and strategy effectively. Its success is driven by strong values such as integrity, excellence and innovation. The group's global expansion and adaptability help it perform well in a dynamic business environment. Overall, Tata serves as an ideal example of sustainable and value-driven business practices.

4.A Case Study of the Tata Group: A Century of Innovation and Impact, Ashwini Rajvaidya

The Tata Group has achieved success through visionary leadership by Ratan Tata, strong diversification, continuous innovation and a deep commitment to social responsibility. Its global expansion and strong corporate governance have strengthened its reputation and market position. The group has significantly contributed to India's economic growth, technological advancement, and social development. However, it faces challenges such as intense competition, economic uncertainty, and technological disruption. Despite this, Tata's focus on sustainability and innovation ensures its continued growth and long-term success.

6. RESEARCH METHODOLOGY

This study adopts a qualitative case study approach to examine the collaboration among Strategic Business Units (SBUs) within the Tata Group in developing the Electric Vehicle (EV) ecosystem. The methodology is primarily based on the analysis of secondary data, which helps in understanding real organizational practices and strategic coordination across multiple business units.

The secondary sources include company reports, academic research papers, industry publications, credible news articles and trusted online resources related to the EV sector and corporate strategy. These sources offer detailed insights into the operational roles, strategic contributions and collaborative activities of different Tata companies involved in the EV value chain.

The study also draws upon conceptual frameworks from strategic management literature, particularly theories related to SBU synergy, interdependence and resource sharing. This includes insights from management scholar **Dr. Vidya Hattangadi**, who highlights how organizations manage shared resources and coordinate across various business units to create competitive advantage. By analyzing these theoretical explanations along with real-world data, the research attempts to understand how coordinated activities within the Tata Group enable the formation of an integrated electric mobility ecosystem.

The case study specifically focuses on the roles and contributions of:

1. Tata Motors
2. Tata Power
3. Tata Chemicals
4. Tata Consultancy Services (TCS)

The collaboration among these SBUs demonstrates the strategic benefits of internal synergy, shared capabilities, and unified decision-making under the "One Tata" philosophy.

• RESEARCH DESIGN

The study follows an exploratory and descriptive research design, where the exploratory component helps investigate how SBU collaboration functions within a large conglomerate like the Tata Group, while the descriptive component explains the specific contributions, interactions, and strategic roles of various Tata companies involved in the EV ecosystem. Together, this blended design provides an in-depth understanding of real organizational practices, strategic alignment and effective inter-unit coordination that support the development of an integrated electric mobility ecosystem.

• TYPE OF RESEARCH

This study is qualitative in nature, as it focuses on non-numerical data, strategic concepts and interpretative analysis. It relies entirely on secondary research, using published documents such as reports, academic papers, industry articles and credible online sources to gather information. Additionally, it is applied research because it aims to understand practical strategies related to SBU synergy, inter-unit collaboration and their role in strengthening the Tata Group's EV ecosystem.

7. RESEARCH ANALYSIS:

The electric vehicle ecosystem developed by the Tata Group demonstrates a strong example of synergy among Strategic Business Units.

Role of Tata Motors

Tata Motors plays the central role in the EV ecosystem by designing, manufacturing and marketing electric vehicles. The company has introduced popular EV models such as the Tata Nexon EV and the Tata Tiago EV, which have gained strong market acceptance. Through continuous innovation and investment in EV technology, Tata Motors has become one of the leading companies in India's electric passenger vehicle segment.

Role of Tata Power

Tata Power contributes significantly by developing EV charging infrastructure across the country. The company installs public charging stations in urban areas, highways and commercial locations while also providing home charging solutions for EV owners. This infrastructure development is crucial for encouraging EV adoption, as accessibility to charging facilities remains one of the major factors influencing consumer decisions.

Role of Tata Chemicals

Tata Chemicals focuses on research and development related to battery materials and energy storage technologies. Since batteries represent a major component of electric vehicle performance and cost, advancements in battery technology play a critical role in improving EV efficiency.

Role of Tata Consultancy Services

Tata Consultancy Services provides digital technology support such as software systems, analytics, and digital platforms that enable smart mobility solutions and improve vehicle connectivity. These technological contributions help integrate digital innovation with automotive engineering.

8. FINDINGS AND DISCUSSION

The analysis of the Tata EV ecosystem shows that strong collaboration among Tata Group's Strategic Business Units greatly boosts efficiency and innovation. Companies such as Tata Motors, Tata Power, Tata Chemicals and Tata Consultancy Services work together to create a complete EV value chain, including vehicle manufacturing, charging infrastructure, battery technology and digital solutions. This integrated approach reduces dependence on external partners and strengthens control over the EV supply chain. The "One Tata" philosophy further promotes cooperation and knowledge-sharing, enabling faster innovation and stronger strategic capabilities. Overall, the Tata EV initiative illustrates how effective internal collaboration within a diversified conglomerate can create significant competitive advantages.

9. CONCLUSION

The study highlights the importance of collaboration among Strategic Business Units in achieving organizational success. The electric vehicle ecosystem developed by the Tata Group demonstrates how synergy among multiple business units can drive innovation, efficiency, and sustainable growth. Through the combined efforts of companies such as Tata Motors, Tata Power, Tata Chemicals and Tata Consultancy Services, the group has created a well-integrated EV ecosystem that addresses key aspects of electric mobility. This case study illustrates that effective coordination among SBUs can significantly enhance competitive advantage and enable organizations to respond effectively to emerging industry opportunities. The Tata EV ecosystem therefore serves as an excellent example of how strategic collaboration within a diversified conglomerate can support the transition toward sustainable transportation.

REFERENCES

- 1 <https://www.linkedin.com/pulse/case-study-tata-group-century-innovation-impact-ashwini-rajvaidya-biuqc/>
- 2 https://management.cessedu.org/sites/management.cessedu.org/files/Ketan%20Vira_Tata%20Business%20Practices.pdf
- 3 https://drvidyahattangadi.com/#google_vignette
- 4 <https://www.orfonline.org/>