

THE OPEN UNIVERSITY OF SRI LANKA  
BACHELOR OF MANAGEMENT STUDIES – LEVEL 6  
ASSIGNMENT TEST - 2007

**STRATEGIC MANAGEMENT - MCU 4201**

DURATION: TWO (02) HOURS

*This paper contains SIX questions and has ONE PAGE.*



**Date: 24<sup>th</sup> March, 2007**

**Time: 10.00 a.m. - 12.00 noon**

**ANSWER FOUR (04) QUESTIONS ONLY.** (*Only the first four questions answered will be evaluated.*)

Answers should be methodical and focused. Cite suitable Sri Lankan examples for your explanations where necessary. Examples carry nearly 50% of the marks allocated.

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1. a) Explain the process and the stages of a strategic management model with a suitable illustration. (15 marks)  
b) In your opinion why do managers make use of strategic management practices today in managing their organizations? Explain. (10 marks)
  2. "When setting the vision and mission statements for an organization, it needs the assistance of personnel of the organization and on the other hand the vision and mission statements help the members of the organization to perform their duties in a better manner." Explain and discuss this statement. (25 marks)
  3. a) Explain the internal and external environmental scanning related to strategic management. (15 marks)  
b) Explain the TOWS matrix and the importance of a proper environmental scanning for a TOWS matrix. (10 marks)
  4. a) What is the BCG matrix for business portfolio analysis? (15 marks)  
b) What category of businesses should be funded with earned profits for the betterment of the organization? Explain. (10 marks)
  5. Explain the vertical and horizontal integration strategies that may be pursued by strategists with the conditions that necessitate such strategies. (25 marks)
  6. Explain three types of defensive strategies available to an organization and the stages of a business when strategists may go for such strategies. (25 marks)

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