



THE OPEN UNIVERSITY OF SRI LANKA
BACHELOR OF MANAGEMENT STUDIES DEGREE PROGRAMME
LEVEL 6
FINAL EXAMINATION : July 2008
STRATEGIC MANAGEMENT – MCU 4201

Duration : Three Hours

Date: 6th July 2008

Time: 9.30 am – 12.30 pm

This Question Paper consists of two (02) pages and has seven (07) questions.

Instructions :

- Attempt any five questions.
(If more than five questions are answered only the first five questions attempted will be evaluated.)
- Maximum marks : 100
- Answers should be methodical and focused. Cite suitable Sri Lanka examples for your explanations where necessary.

1. Environmental scanning is one of the key activities of the strategic management process.
 - (a) What is meant by environmental scanning in strategic management? Explain the main steps of environmental scanning.
 - (b) What is the need for an environmental scanning exercise in the preparation of a TOWS matrix? Explain using suitable illustrations.
2. It is a common practice that in various stages of the strategic management process, managers seek employee participation.
Explain the stages of strategic management process in detail and discuss the specific stages where employee participation can be sought. Elaborate how employee participation could be beneficial to the organization.
3.
 - (a) Types of strategies vary at different hierarchical levels of management of an organization. Explain the different types of strategies applicable in different levels in the hierarchy and their distinctive features.
 - (b) Explain the key features of objectives. Why should managers set long-term and short-term objectives?
4.
 - (a) Explain the BCG matrix and its applications.
 - (b) What is the rationale behind further investment decisions of businesses that come under different categories of the BCG matrix?

5.
 - (a) Explain different types of formal organizational structures with suitable illustrations.
 - (b) Discuss how a strategist can benefit from the said organizational structures, in planning and implementing a business strategy.
6.
 - (a) Why do organizations expand their businesses beyond the home country?
 - (b) Explain the different forms of business models that can be applied in pursuing a specific strategy in international markets.
7. Using the business environment of the Sri Lankan CDMA telephones market as an example, analyze the industry attractiveness using Michel Porter's industry analysis model and express your opinion for an investor. State your assumptions.

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