

THE OPEN UNIVERSITY OF SRI LANKA
 BACHELOR OF MANAGEMENT STUDIES DEGREE PROGRAMME
 LEVEL 6
 FINAL EXAMINATION :2012
 STRATEGIC MANAGEMENT – MCU 4201



Duration: Three (03) Hours

Date: 8th April 2012

Time: 9.30 am – 12.30 pm

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

Instructions :

- Answer any FIVE (5) questions.
- All questions carry equal marks (20 each). Maximum marks : 100
- Answers should be methodical and focused. Cite suitable Sri Lankan examples to support your answers where necessary.

1. (a) Discuss the components of environmental analysis carried out by strategists.
- (b) Explain the need for environmental analysis for an organization.
- (c) Explain how you would plan for an environmental analysis exercise for an organization.

- 2 (a) Explain what is meant by core competencies of an organization. How can an organization identify its core competencies?
- (b) How does the situation of a new business venture differs from that of an ongoing similar venture with regard to adopting and implementing functional level strategies in a competitive business environment? Analyze form a strategic management perspective.

3. (a) Discuss the different types of integration strategies available to an organization.
- (b) Explain the circumstances which may justify pursuing integration strategies mentioned in your answer to part (a).

4. (a) Explain the relationship among objectives, policies and strategy.
- (b) Explain the activities have to be carried in the implementation of a strategy.
- (c) Explain the need for controls in implementing new strategies.

5.
 - (a) Explain the BCG matrix for business portfolio analysis.
 - (b) Discuss the relationship of financing decisions of businesses units that come under different categories of the BCG matrix.

6. Using Michael Porter's model for competitive strategies, analyze how cost and differentiation strategies could be used for business competitiveness in strategic decision making. How could an organization shift from differentiation strategy to a cost focused strategy? Explain.

7. Explain **any two** of the following;
 - (a) Outsourcing as a business strategy.
 - (b) Strategic business models available for organizations to enter foreign markets
 - (c) Implementing new organizational strategies in existing organizational structures.
 - (d) Corporate governance and social responsibility of an organization.

(Copyrights Reserved)