

THE OPEN UNIVERSITY OF SRI LANKA
 BACHELOR OF MANAGEMENT STUDIES DEGREE PROGRAMME
 LEVEL 6
 FINAL EXAMINATION: 2015
 STRATEGIC MANAGEMENT – MCU 4201



Duration: Three (03) Hours

Date: 5th July, 2015

Time: 1.30 pm – 4.30 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. 'Before an organization begins strategy formulation, it must scan the environments within which it operates so that the position of the organization with respect to its environmental forces can be understood.'
 - (a) Explain the different environments within which an organization operates. (8 marks)
 - (b) Explain the benefits of environmental analysis for an organization. (6 marks)
 - (c) Explain the external environmental forces and its situation in relation to an organization engaged in providing mobile telecommunication services in Sri Lanka, (6 marks)

2.
 - (a) Describe 'core competencies' and 'competitive advantage' of an organization. (12 marks)
 - (b) Explain what efforts and strategies an organization providing mobile telecommunication service in Sri Lanka can pursue to develop its core competencies. (8 marks)

3.
 - (a) Discuss the different types of defensive strategies sought by strategists for their organizations. (12 marks)
 - (b) Explain the instances where the said defensive strategies may be pursued by strategists. (8 marks)

4. (a) Describe the activities that are necessary for the implementation of a new strategy. (8 marks)
- (b) Explain the role of 'policies' in successful implementation of a strategy. (6 marks)
- (c) Discuss how the strategic information systems help strategy evaluation and controls. (6 marks)
5. (a) Explain the BCG matrix for business portfolio analysis. (8 marks)
- (b) Describe the financing decisions of businesses that fall under different categories of the BCG matrix. (6 marks)
- (c) Using relevant examples and illustrations, highlight the relationship between the different stages of a life cycle of a product and four categories of the BCG matrix. (8 marks)
6. (a) Describe Michael Porter's model for industry analysis. (8 marks)
- (b) Providing suitable examples, explain how a strategist may improve its strategic position with the five forces described in the said model. (12 marks)
7. Attempt **any two** of the following; (10 marks each)
- (a) 'Strategy follows structure' or 'Structure follows strategy'; critically examine with examples.
- (b) Explain SWOT analysis and TOWS matrix.
- (c) Explain the different business models for organizations to enter foreign markets.
- (d) Explain the first mover and late mover strategies.
- (e) Explain the corporate social responsibility of an organization.

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