



THE OPEN UNIVERSITY OF SRI LANKA
 MASTER OF BUSINESS ADMINISTRATION IN HUMAN RESOURCES MANAGEMENT
 PROGRAMME
 FINAL EXAMINATION: 2015 SEMESTER 1

STRATEGIC MANAGEMENT – MCP2255

Duration: Three (3) Hours

Date: 9th August, 2015

Time: 1.30 pm – 4.30 pm

Instructions:

- Answer **any Four (4)** questions.
- All questions carry equal marks (25 each). Maximum marks : 100
- Answers should be methodical and focused. Cite suitable Sri Lankan examples to support your answers where necessary.

This Question Paper consists of two (2) pages and has five (5) questions.

Question One

1. Explain why it is necessary for an organization to engage in continuous environmental scanning. (10 Marks)

2. Explain the “TOWS” matrix and its application using an example in Sri Lankan context. (15 Marks)

Total-25 Marks

Question Two

“A ‘BCG matrix for portfolio analysis’ helps organizations to figure out different business areas of their business portfolio which deserves more resources and investment”.

Explain this statement with examples.

Total-25 Marks

Question Three

The value chain includes all those activities that contribute to the final value of an organization's product. Value added, or margin, is "the difference between the total value and collective cost of performing the value activities." (Porter, 1985a)

1. Explain the difference between primary activities and secondary activities in a value chain of a product of an organization. (10 Marks)

2. "Value chain analysis is Porter's technique for understanding an organization's ability to add value through its activities, and their internal and external linkages. It allows managers to identify where value is currently added in the system and where there is potential to create further value in the future by reconfiguration and improved coordination of activities".

Explain this statement with examples.

(15 Marks)

Total-25 Marks

Question Four

"A differentiation strategy involves creating a customer perception that a product or services is superior to that of other firms, based on brand, quality, and performance, so that a premium price can be charged to customers."

1. Do you agree with this statement? Explain. (10 Marks)

2. Critically evaluate the concept of "Stuck in the middle" of M. E. Porter's generic strategies with suitable examples. (15 Marks)

Total-25 Marks

Question Five

Explain any five (5) of the following related to strategic management.

1. The 'McKinsey 7S' Framework
2. Strategic Business Unit (SBU)
3. Corporate level strategies
4. Key Successive Factors (KSF)
5. Balanced Score Card (BSC)
6. Michael Porter's five forces model for industry analysis

Total-25 Marks

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