

The Open University of Sri Lanka  
Faculty of Engineering Technology



Study Programme	: Master of Technology in Industrial Engineering – Level 7
Name of the Examination	: Final Examination
<b>Course Code and Title</b>	<b>: MEM7117 – Strategic Management</b>
Academic Year	: 2016/17
Date	: 14 <sup>th</sup> November 2017
Time	: 09.30-12.30
Duration	: 3 hours

**General instructions**

1. Read the questions carefully before answering.
2. Please note that you should write your registration number and your index number in each pages of your answer book. Do not write your name.
3. In case of doubt, please consult the supervisor or an invigilator conducting the examination.
4. This paper consists of Six (06) questions. Answer only five (05) Questions. All questions carry equal marks.

**Q1.**

Indian three wheeler manufacturing company has joined hands with ABBN AUTO (Sri Lanka) for its three wheeler exports to Sri Lanka. ABBN Auto has decided to formulate a Strategic Plan to acquire a 30% of the market share of the market in the year 2021. Select an appropriate Approach/Technique and assess the external environment of the ABBN Auto Company. Explain the critical factors/variables to be addressed in the above exercise.

**Q2.**

Examine the importance of Mission Statement, Goals and Objectives, in giving a strategic direction to a firm. Illustrate the Hierarchy of Objectives as it cascades down the Hierarchy, giving examples from an organisation that is familiar to you.

**Q3.**

Select an industry and critically discuss the importance of Forward Integration and Backward integration. Illustrate with the aid of a diagram on the industry you are discussing. Provide examples to support your arguments.

**Q4.**

Using an organization of your choice, critically analyse the benefits and main constraints of the following two Strategy Directions proposed by Ansoff's Product/Market Grid.

- a) Market Penetration
- b) Market Development

Provide examples.

**Q5.**

DP Motor Company, one of the pioneer and exclusive three wheeler dealer in Sri Lanka for a particular model is stumbling from the current duty shock. The sales of these three wheeler models have dropped by 50% following the increase of import duties. In order to continue their operations, advise the DP Motor Company on the appropriate Survival Strategies to be adapted by the company. Justify your recommendations.

**Q6.**

In order to ensure the desired position, it is necessary to guide, evaluate & control Strategies. Explain the techniques of successful Strategy Implementation. What are the required conditions for successful implementation of Strategy? Justify your answer.