THE OPEN UNIVERSITY OF SRI LANKA
MASTER OF BUSINESS ADMINISTRATION IN HUMAN RESOURCE MANAGEMENT PROGRAMME
LEVEL 09
OSP9336 - STRATEGIC MANAGEMENT
FINAL EXAMINATION – 2023/2024
DURATION – THREE (03) HOURS

Date: 27th October 2024 **Time: 1.30 pm - 4.30 pm**

Instructions:

- Answer **Question 1 (Compulsory) and any 3 questions from the others.**
- Answers should be focused and methodical. Use suitable examples where applicable.
- State your examination index number in every answer script.
- This paper has 3 pages and 5 questions. Maximum marks 100.

Question 1 (Compulsory)

Part A: Mini case

Read the following and answer all the questions given below.

A leading bank in Sri Lanka redefined its mission to align with the digital transformation in the banking environment. Its annual budget became a critical tool in achieving strategic goals, such as expanding mobile banking services. The bank set objectives to enhance customer experience through digital platforms. Analysis of failed banks highlighted the importance of adaptability in strategic planning. However, implementing strategies proved more complex than formulating them, as unforeseen regulatory changes impacted operations. HR faced external challenges like talent shortages, even as outsourcing IT functions emerged as a viable alternative to integration strategies. The bank's mobile banking division, a "cash cow," continued to generate significant surplus for reinvestment.

i. Critically evaluate the importance of an organization's mission statement for achieving long-term objectives. You may use examples to illustrate your argument. (12 Marks)

ii. Examine the challenges involved in strategy implementation compared to strategy formulation within an organization, referencing the above scenario. How can organizations address these challenges to achieve successful strategy execution? Explain. (12 Marks)

iii. Critically assess the role of Strategic Business Units (SBUs) in maintaining long-term financial stability. How does the "cash cow" in the provided mini case, specifically the mobile banking division, contribute to sustaining a competitive advantage? Explain. (10 Marks)

Part B: Do you agree with the following statements? With your opinion briefly explain ANY FOUR (4) from the following statements. (3 marks each x 4 = 12 marks)

a) "The mission of an organization should evolve to reflect the changing dynamics of an organizations operating environment." (03 marks)

b) "Organizational objective statements should adhere to the SMART criteria." (03 marks)

c) "The analysis of both successful and failed organizations has contributed to the development of strategic management." (03 marks)

d) "Strategists prefer outsourcing as an alternative option to integration strategies." (03 marks)

e) "When offering products or services to the market, the lowest price can always be the best strategy to win the market." (03 marks)

[Total: 46 Marks]

Answer any 3 questions from the following.

Question 2

Select an industry you are much familiar with. Give a brief note of the industry.

a) Describe the economic, societal, environmental, and technological dimensions of the general environment in the industry you selected, and assess their impact on the sustainability of businesses operating within this sector. (12 marks)

b) Elaborate on how the role of an HR manager in a business operating within this industry may be impacted by potential changes in the environmental dimensions discussed above. (06 marks)

[Total: 18 Marks]

Question 3

The **Ansoff Matrix** is a strategic planning tool Created by Igor Ansoff used to identify and evaluate growth opportunities of businesses.

a) Describe the Ansoff matrix with suitable illustrations. (08 marks)

b) With relevant examples from the Sri Lankan business environment, explain the four distinct growth strategies described in the Ansoff Matrix, highlighting how local companies apply these strategies to achieve organizational growth. (10 marks)

[Total: 18 Marks]

Question 4

a) The dimensions of Value, Imitability, Rarity, and Organization (VIRO) serve as an effective management tool for analyzing an organization's core competencies and assessing whether these core competencies can offer a sustainable competitive advantage. Explain (08 marks)

b) With relevant examples, explain the key elements of the industry analysis framework, such as Porter's Five Forces. Based on this framework, describe the conditions that encourage investors to enter and start a business in an industry. (10 marks)

[Total: 18 Marks]

Question 5

Explain **any two** of the following.

a) "HR managers can foster and sustain a learning culture within the organization, enabling successful strategy formulation, implementation, and review and control. (09 marks)

b) "The importance of corporate governance practices and their role in promoting both organizational success and societal well-being." (09 marks)

c) Describe a diversification strategy of your choice and outline the key conditions an organization must fulfill to successfully implement it. (09 marks)

d) You can defeat the enemy not through direct battle, but by outthinking them with a well-crafted strategy that ensures long-term success. (09 marks)

[Total (09x2): 18 Marks]

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