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SCHOOL OF ACCOUNTING AND BUSINESS
BSc. (APPLIED ACCOUNTING) GENERAL / SPECIAL DEGREE
PROGRAMME

END SEMESTER EXAMINATION – OCTOBER 2015

MGT 30625 Strategic Management

Date : 11th October 2015
Time : 9.00 a.m. - 11.30 a.m.
Duration : Two and a half (02 ½) Hours

Instructions to Candidates:

- Answer **four (04)** questions only.
- The total marks for the paper is 100.
- The marks for each question are shown in brackets.
- Answers should be written neatly and legibly.

Question No. 01

“Vision, mission and objectives are like triplet who passionately embraces all the activities in an organisation.”

- i. How do you distinguish the vision and mission statements?

(06 Marks)

- ii. Although, the kinds of information contained in mission statement may vary somewhat from organization to organisation, most mission statements cover several typical components. Identify such typical components and explain them briefly.

(12 Marks)

- iii. Briefly explain how objectives are integrated in formulating firm strategies.

(07 Marks)

(Total 25 Marks)

Question No. 02

“Environmental scanning is the detailed evaluation of organisation’s internal and external environments for detecting early signs that may influence the future strategies of the organisation.”

- i. Identify four (04) macro environmental variables and discuss each in detail with examples as to how they affect firm is strategy.

(13 Marks)

- ii. “Porter's five forces model is probably one of the most commonly used strategic models in analysing the nature and extent of competition within an industry.” Briefly discuss the five forces in the model and describe the types of entry barriers that make it difficult for a firm to enter an industry.

(12 Marks)

(Total 25 Marks)

Question No. 03

“Business level strategy consists of the way strategic managers devise a plan of action to use a company’s resources and distinctive competencies to gain a competitive advantage over rivals in a market or industry.”

- i. What is meant by distinctive competencies and explain briefly how distinctive competencies create competitive advantage for a firm over its rivals.

(10 Marks)

- ii. Relating to business level strategies, identify Porter’s Four (04) types of generic strategies and elaborate how they maintain a competitive position for the organisation over its rivals.

(15 Marks)

(Total 25 Marks)

Question No. 04

“Instead following growth or stability strategies, in some circumstances organisations follow retrenchment strategy.”

- i. Explain the situations in which retrenchment strategies are more appropriate for an organisation citing examples.

(10 Marks)

- ii. Discuss in detail four types of retrenchment strategies using examples.

(15 Marks)

(Total 25 Marks)

Question No. 05

“Strategy is done above the shoulders; tactics are done below the shoulders.”

- i. Explain the validity of the above statement in the event of strategy formulation and strategy implementation.

(10 Marks)

- ii. What are the major organisational barriers faced by the management in the process of implementing strategies? Explain.

(15 Marks)

(Total 25 Marks)

Question No. 06

“The three important and critical foreign market entry decisions a domestic business firm has to make are; which foreign markets, timing of entry and the scale of entry. In all these decisions the firm has to focus on its internal business condition and, the target country and target market characteristics.”

- i. Identify the key factors in the international environment that the management has to evaluate in the entry mode decision.

(10 Marks)

- ii. What are the success factors, risks and reasons for failure of international strategic alliances? Explain with real world examples.

(15 Marks)

(Total 25 Marks)