



No. of Pages - 05

No of Questions - 08

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

**END SEMESTER EXAMINATION – JULY 2016**

**MGT 30625 Strategic Management**

Date : 07th August 2016  
Time : 9.00 a.m. – 11.30 a.m.  
Duration : Two and a half (02 ½) Hours

**Instructions to Candidates:**

- This paper consists of three Sections (A, B and C)
- Section A – Answer **ALL** questions in the separate sheet provided.  
Section B – Answer only **FOUR** questions out of five questions given.  
Section C – Answer **ONE** question out of two questions given.
- The total marks for the paper is 100.
- The marks for each question are shown in brackets.
- Answers should be written neatly and legibly.

## Section A

Answer **ALL** questions.

### **Question No. 01**

Choose the most suitable answer.

1. Strategic Decisions are about;
  - a. the business focus of the organization
  - b. the operational direction of the organization
  - c. the long term direction of the organization
  - d. the short term direction of the organization
2. According to the Five Forces model, if the bargaining power of suppliers are high, the industry is;
  - a. Attractive
  - b. Not attractive
  - c. Not competitive
  - d. All above answers are wrong
3. Blue Ocean strategy emphasizes on;
  - a. New market spaces
  - b. New strategy
  - c. Already well defined markets
  - d. Focus on competition
4. The definition of “Capabilities” is;
  - a. Inputs to a firm’s production process
  - b. Integration of a team of resources
  - c. Firm’s existing business strategy
  - d. Applying competitive strategy into a firm

5. Following are the two statements about stakeholder mapping;
- I. Stakeholder mapping identifies stakeholder expectations and power and helps in understanding political priorities
  - II. Stakeholder mapping does not identify stakeholder expectations and power and helps in understanding political priorities
- a. Only statement (I) is true
  - b. Only statement (II) is true
  - c. Both statements (I) & (II) are true
  - d. Both statements (I) & (II) are not true
6. Which one of the following belongs to the methods of strategy development
- a. Internal development, mergers and acquisition and strategic alliances
  - b. Protect / build, product development, market development and diversification
  - c. Emergent strategy and intended strategy
  - d. All of the above
7. In Multinational structures, if the “global coordination is high and local independence is high”, those structures are called;
- a. International divisions
  - b. Local subsidiaries
  - c. Global product divisions
  - d. Transnational corporations
8. Which of the following is **NOT** a lever for organizational change
- a. A compelling case for change
  - b. Challenging the taken-for-granted
  - c. Changing operational processes and routines
  - d. Non symbolic changes

9. ....is an expression of a desired strategy as deliberately formulated or planned by managers.
- a. Business strategy
  - b. Intended strategy
  - c. Corporate strategy
  - d. Emergent strategy
10. Which of the following is a “Tenets of Organizational Learning”
- a. Managers facilitate rather than direct
  - b. Information flows and relationships are lateral as well as vertical
  - c. Organizations are pluralistic
  - d. All of the above

**(Total 20 Marks)**

### **Section B**

Answer **ONLY FOUR (04)** questions.

#### **Question No. 02**

Education sector is a booming industry in Sri Lanka. Identify three (03) scenarios for the industry and advice on the impact of each scenario to the Institute of Chartered Accountants of Sri Lanka.

**(Total 15 Marks)**

#### **Question No. 03**

You are the Chief Strategic Consultant for an investor who intended to invest in a new supermarket chain in Colombo area. Using Five Forces Model, discuss the level of attractiveness of supermarket business in Sri Lanka.

**(Total 15 Marks)**

**Question No. 04**

Discuss what is “stakeholder mapping”. Think of a particular industry and illustrate how the power/ interest matrix works for the industry.

**(Total 15 Marks)**

**Question No. 05**

Briefly discuss five (05) available business strategies for a business located in a competitive market and three (03) available business strategies for monopolistic markets.

**(Total 15 Marks)**

**Question No. 06**

Write short notes on any **six (06)** of the following topics

- I. Game Theory
- II. Corporate parent
- III. Functional Structure
- IV. ‘Hard’ and ‘Soft’ HR management
- V. A force field analysis
- VI. Situational Leadership
- VII. Emergent strategy
- VIII. Intended strategy
- IX. Learning organization
- X. The Directional Policy Matrix

**(Total 15 Marks)**

### **Section C**

Answer **ONLY ONE (01)** question.

#### **Question No. 07**

The Sri Lankan Biscuit industry is being dominated by two (02) local manufacturers with strong brand names. Draw a strategy canvas to these (02) local biscuits manufactures based on their current market strategies and discuss how each can create blue oceans for their businesses in future.

**(Total 20 Marks)**

#### **Question No. 08**

Select a local business organization operating in Sri Lanka for over 20 years and evaluate their strategic journey using strategy development processes.

**(Total 20 Marks)**