

Mid Term 2011/2012 Examination

Course Name : Strategic Management
Lecturers/Tutors : Team of Lecturers/Tutors
Day, Date : Thursday, November 3, 2011
Time : 13.00-15.30 (150 Minutes)
Nature of test : Closed Books

- You are allowed to pray first, then choose to answer 4 out of 8 questions below.
- Every question have the same weight of points.

Question 1

- a. What are the purposes of external audit? Please explain about all of the aspects in the external environment which are important to be included in the analysis to build a company strategic plan.
- b. What do you know about Porter's Five Forces Model? Please give explanation about all the variables within the model and give examples.

Question 2

Resource Based View (RBV) approach is used in the company internal assessment.

- a. What is RBV approach? Please define the main category and empirical indicator(s) used in this RBV approach.
- b. Please explain about the Value Chain Analysis concept and give example.

Question 3

The focus of company's internal assessment is to use internal strengths in order to offset the weaknesses within the company. The internal assessment covered different areas of (1) Organization & Management (2) Marketing function (3) Financial/Accounting (4) Production/Operation (5) Research & Development (R&D); and (6) Management Information System.

Please choose two of six areas listed above and give comprehensive explanation regarding the variables of internal assessment within those two areas.

Question 4

- a. Please explain about the differences between strategy formulation in big companies and Small & Medium Enterprises (SMEs).
- b. Give explanation regarding the differences between strategy formulation in profit oriented organization and non-profit organization (ex: educational institution, hospitals, and governmental departments).

Question 5

Please explain and define three types of strategy listed below which applicable in companies within turbulent/high-velocity market, and explain when is the most appropriate time for companies to use each of those strategies then give examples according to your knowledge and experiences.

Three types of strategy:

- a. Reacting to change
- b. Anticipating to change
- c. Leading to change

Question 6

In companies, there are some basic primary strategies that applicable as objectives to face the future.

- a. Please list all available strategies
- b. Please explain the differences between related and unrelated diversification

Question 7

The process of strategy formulation in companies needs to use tools to analyze.

- a. What are the tools to analyze? Please explain the differences between one another.
- b. How is the process to analyze using one of the tools you have mention before in point (a)?

Question 8

- a. Please explain the benefit and limitations of developing a BCG Matrix.
- b. Please make a BCG Matrix for world music industry based on the table below. Then analyze condition of each company based on the BCG Matrix you have made before.

Company	Sales (\$ millions)	Profit (\$ millions)	Market share (%)	IG Rate
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Universal Music Group	37,000	5,800	27	10
Time Warner Music	13,100	2,900	17	15
Sony	7,200	2,200	16	08
BMG	5,400	1,300	14	05
TOTAL	62,700	12,200		

- c. By using a grand strategy matrix approach, what strategies are recommended for a firm that is weak competitor in a slow-growing market?