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**UNIVERSITI TUN HUSSEIN ONN MALAYSIA**

**FINAL EXAMINATION  
SEMESTER II  
SESSION 2017/2018**

COURSE NAME : STRATEGIC MANAGEMENT  
COURSE CODE : BPB 33803  
PROGRAMME CODE : BPA  
EXAMINATION DATE : JUNE / JULY 2018  
DURATION : 2 HOURS AND 30 MINUTES  
INSTRUCTION : ANSWER ALL QUESTIONS

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THIS QUESTION PAPER CONSISTS OF **FOUR (4)** PAGES

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**Q1** Research and Development division plays a main role in strategy implementation. This division is generally in charged with developing new products and improving old products effectively.

(a) Discuss the **THREE (3)** Research and Development approaches for implementing organization strategies with an example.

(6 marks)

(b) Recommend **ONE (1)** Research and Development approach that is suitable for a pharmaceutical company categorized under Small and Medium Enterprises (SMEs) based on Research and Development Approach. Please give justification for your answer.

(4 marks)

**Q2** Market segmentation and product positioning rank as marketing's most important contributions to strategic management. As a manager in the company, you need to identify the product positioning and market segmentation to find out what customer wants and expect. Both techniques are widely used in deciding how to meet the needs and wants of particular consumer group.

(a) Discuss **FIVE (5)** steps required to implement product positioning.

(10 marks)

(b) Your company had just acquired a firm that produce water dispenser and decided to implement a market penetration strategy through market segmentation.

Recommend the market segmentation suitable for this products.

(10 marks)

**Q3** As a firm's external and internal environments change, the implemented strategies will become obsolete. It is therefore, important that strategiest sytematically review, evaluate and control the execution of strategies. Thus, the firm should continually evaluates its strategies and take prompt corrective action.

(a) Outline the **THREE (3)** basic stages in strategy evaluation process for a company in telecommunication industry.

(15 marks)

(b) Differentiate between consistency and consonance criteria proposed by Richard Rumelt that could be used to evaluate strategy. Please give specific example for each criteria.

(10 marks)

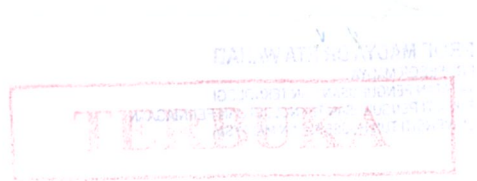
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**Q4** The Emirates Group the largest airline in the Middle East, operating over 2,500 flights per week from its hub at Dubai International Airport. Emirates flies to 120 cities in 70 countries and operates 4 of the world’s 10 longest non-stop commercial flights. With 50,000 employees and 50 subsidiaries, the Emirates Group is wholly owned by the government of Dubai and controlled by the Investment Corp. of Dubai. Emirates is very profitable and growing over 20% annually.

**Table Q4** below shows the internal and external determinants of The Emirates Group overall strategic position analysis that will help in sustaining its position in the industry.

**Table Q4: Determinants of Emirates Group Overall Strategic Position Analysis**

<b>Financial Position (FP)</b>	<b>Ratings</b>
Passenger Revenues	6
Cargo Revenues	5
Excess Baggage Revenues	2
Total Revenues	6
Company Worth	6
<b>Industry Position (IP)</b>	
Growth potential	6
Financial stability	3
Ease of entry to market	2
Transportation Alternatives	4
Profit potential	4
<b>Stability Position (SP)</b>	
Rate of inflation	-3
Rising Oil Prices	-3
Government Regulations	-3
Competitive pressure	-6
Barrier to entry to market	-3
<b>Competitive Position (CP)</b>	
Market share	-3
Service quality	-1
Customer loyalty	-1
Number of Flights	-3
Control over suppliers and distributors	-2



- (a) Calculate the position of x-axis and y-axis of Emirates Group using Strategic Position and Action Evaluation (SPACE) Matrix with appropriate steps. (10 marks)
- (b) Plot the directional vector from the origin of the Strategic Position and Action Evaluation (SPACE) matrix as in **Q4(a)** through an intersection point. (4 marks)
- (c) Construct the overall Emirates Group strategic position using the Strategic Position Action Evaluation (SPACE) profiles as in **Q4(b)**. (16 marks)
- (d) The Grand Strategy Matrix is one of the tool used for formulating strategies.
- (i) Discuss Grand Strategy Matrix using diagram. (5 marks)
- (ii) Outline any **TWO (2)** strategies that can be used by Emirates Group if this firm had been positioned in Quadrant IV of the Grand Strategy Matrix. (10 marks)

- END OF QUESTIONS -

