



UTHM
Universiti Tun Hussein Onn Malaysia

UNIVERSITI TUN HUSSEIN ONN MALAYSIA

**FINAL EXAMINATION
SEMESTER I
SESSION 2019/2020**

COURSE NAME : STRATEGIC MANAGEMENT
COURSE CODE : BPB 33803
PROGRAMME : BPA
EXAMINATION DATE : DECEMBER 2019 / JANUARY 2020
DURATION : 3 HOURS
INSTRUCTION : ANSWER **ALL** QUESTIONS

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

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Q1 MAS’s motto is “Going Beyond Expectation” with the vision of “An Airline of Excellence”. This statement shows high competition faced by MAS at domestic and international market levels in sustaining its position. **Table Q1**, is the internal and external dimensions of MAS that will help to determine its overall strategic position.

Table Q1: Determinants of MAS Overall Strategic Position Analysis

Financial Strength (FP)	Ratings
Management cost reduce by 15 percent year end 2009.	2.0
Impact of global crisis, net loss increase to RM812.11 million for financial year ended Dec. 31 2017.	3.0
The losses of Malaysia Airlines may amount to RM1 billion per year.” he says in a March 13, 2019 report.	3.0
Malaysia Airlines, 2017 financial statements show that its cargo revenue stood at just RM551.27 million, a far cry from the RM1.66 billion reported in 2013.	3.0
Industry Strength (IP)	
Deregulation provides geographic and flight freedom.	3.0
Increase demand in oversea routes.	2.0
Internet services allow on-line booking for domestic and international flight.	3.0
Offering world’s Best Cabin Crew eight times since 2000.	5.0
Environmental Stability (SP)	
High competition for market share caused significant erosion in passenger average fares and yields.	-3.0
Less-developed countries experiencing high inflation and political instability.	-2.0
The ringgit had also weakened by 3.6% to 4.9% to 4.0910 against the US dollar first quarter 2019.	-3.0
Fuel price increase to about USD80.30 per barrel as at Mac 2019.	-5.0
Competitive Advantage (CP)	
Fast on-line and advance booking, reduce queue and hustle.	-3.0
Kuala Lumpur preferred gateway into Malaysia and the South-East Asia Region.	-2.0
Delivering world-class service to 55,000 passengers on 360 flights each day over 60 destinations world wide.	-2.0
Achieve the Skytrax-5 star rating, highest quality ranking for commercial airline since 2013.	-5.0

- (a) Calculate the average score for FP, IP, SP, and CP by summing the values given to each variables as Strategic Position and Action Evaluation (SPACE Matrix).

(8 marks)

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- (b) Plot the intersection point for the average score for FP and SP, and IP and CP accordance to the SPACE Matrix. (6 marks)
- (c) Discuss the MAS overall strategic position as in the Plot Matrix profiles **Q1 (b)**. (10 marks)
- (d) Recommend the best strategy to be implemented based on the company strategic position as **Q1 (c)**. (10 marks)

Q2 The strategic management process does not end when the firm decides what strategy or strategies to pursue. There must be a translation of strategic thought into strategic implementation.

- (a) Define what is strategic implementation. (2 marks)
- (b) Changes in strategy lead to changes in organizational structure. However, there is no optimal organizational structure for a given strategy or type of organization. It is described that Small firms tend to be Functionally Structured, Medium-sized Divisionally Structured, Large Strategic Business Unit or Matrix Structure.
- Discuss **FOUR (4)** types of organizational structure. (8 marks)
- (c) Discuss **FIVE (5)** differences between strategic formulation and strategic implementation with examples. (10 marks)
- (d) Product Positioning entails developing schematic representations that reflect how your products or services compare to competitors' on dimension most important to success in the industry.
- Discuss **FIVE (5)** steps required in product positioning. (5 marks)

Q3 Restructuring and reengineering are becoming common place on corporate landscape to build better performance and competitive advantage for its company.

- (a) Discuss the following factors with examples;
- (i) Restructuring
- (ii) Reengineering
- (5 marks)

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(b) Market Segmentation and Product Positioning are central importance to strategy implementation, especially for small and specialized firms.

(i) Define Market Segmentation and Product Positioning.

(4 marks)

(ii) Discuss the important of Market Segmentation and Product Positioning in strategy implementation for small firms.

(10 marks)

Q4 Strategy evaluation is important because organizations face dynamic environments in which key external and internal factors often change quickly and dramatically. The success of today is no guarantee for tomorrow success. therefore no organization is to be complacent with success.

(a) Discuss the Rumelt's Criteria for evaluating strategies.

(12 marks)

(b) Discuss the characteristics of an effective evaluation system.

(10 marks)

END OF QUESTIONS

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