

UNIVERSITI TUN HUSSEIN ONN MALAYSIA

FINAL EXAMINATION SEMESTER II SESSION 2009/2010

SUBJECT NAME	:	STRATEGIC MANAGEMENT
SUBJECT CODE	:	BPA 3123
COURSE	:	3 BPA / 3 BPB
EXAMINATION DATE	:	APRIL / MAY 2010
DURATION	:	2 HOURS 30 MINUTES
INSTRUCTION	:	ANSWER ALL QUESTIONS

THIS QUESTION PAPER CONSISTS OF 6 PAGES

Q1 and Q2 is based on the informations in Table 1 below

Table 1: Airasia Versus Malaysian Airline System (MAS)



Vision and Mission

AirAsia	MAS				
• Company Slogan "Everyone Can Fly"	Company Slogan "Going Beyond Expectation"				
• The Vision	The Vision				
Be the largest low cost airline in Asia and serving the 3 billion people who are currently underserved with poor connectivity and high fares. • The mission – To be the best company to	 *An Airline of Excellence The mission : To make Malaysia Airlines one of the leading standard bearers for the airline industry in terms of safety, efficiency and quality of 				
 For the best company to work for whereby employees are treated as part of a big family Create a globally recognized ASEAN brand To attain the lowest cost so that everyone can fly with AirAsia Maintain the highest quality product embracing technology to reduce cost and enhance service levels 	 To develop Kuala Lumpur as the preferred gateway into Malaysia and the South-East Asia region. To make Kuala Lumpur a major cargo transshipments area for the Asia-Pacific rim. 				

Accomplishment

	AirAsia	MAS		
-	Malaysia's 30 most valuable brands	- Skytrax's Quality Approved Airlines		
	2008	 Aviation week's top Performing 		
-	PIKOM ICT organization, excellence	Companies		
	award 2008	- Inflight Research Services of London		
-	Best Asian Low-Cost Carrier	(Cabin crew courtesy, meal		
-	Asia Pacific's Top 1000 Brands 2008	presentation and quality of meals		
	Survey (AirAsia – Top 5 Airline)	served).		

- Q1 Identify the competitive advantages of the following airlines that make them different.from each other.
 - (a) MAS (2 marks)(b) AirAsia
 - (2 marks)

Q2 The visions of MAS and AirAsia are clearly stated as in Table 1.

Determine the directions or business of both airlines, based on their visions.

- (a) MAS (2 marks)(b) AirAsia
 - (2 marks)

Q3 MAS's motto is "Going Beyond Expectation" with the Vision of "An Airline of Excellence." These statements show high competition faced by MAS at domestic and international market level in sustaining its position.

Table 2 shows MAS Variable Factors for Strategy Analysis.

Table 2: MAS Variable Factors for Strategy Analysis

Financial Strength	Ratings
Profit after tax year end 2008 – RM199,075.00	2.0
Low-cost flight, increase in revenue by 60 percent	4.0
Management cost reduce by 15 percent year end 2009	5.0
Industry Strength	
Deregulation provides geographic and flight freedom	3.0
Increase demand in oversea routes	2.0
Internet services allow on-line booking for domestic and	3.0
international flight	
Environmental Stability	
Less-developed countries experiencing high inflation and political instability	-2.0
Control terrorism attack in all major destination	-1.0
Fuel price decrease to about USD60 a barrel	-3.0
Competitive Advantage	
Established brand name globally	-3.0
Fast on-line and advance booking, reduce queue and hustle	-2.0
Kuala Lumpur preferred gateway into Malaysia and the South-	-2.0
East Asia Region.	

(a) Calculate the position of x-axis and y-axis using Directional Vector Coordinates of the Strategic Position and Action Evaluation (SPACE) Matrix. (Calculation of steps must be clearly illustrated)

(5 marks)

(b) Draw a directional vector from the origin of the SPACE Matrix through an intersection point.

(2 marks)

(c) Explain MAS overall strategic position, using the Strategic Position and Action Evaluation (SPACE) Matrix profiles, based on the position of MAS as in the intersection point.

(5 marks)

Q4	analys	haking of strategy-formulation decisions of an organization is always based on sis and intuition, in order to reveal its feasible alternative strategies. Retail buter Store has determined two alternative strategies which are Strategy 1: Buy new land and build new larger store Strategy 2: Fully renovate existing store.
	Based	on Table 3 in Appendix I;
	(a)	Analyse both strategies by giving the score for the Attractiveness Score and Total Attractiveness Score by completing table.
		Justify each score for the key factors based on the intuition and judgment of the current market situation and organization internal strength. (10 marks)
	(b)	Justify the best strategies alternatives to be implemented. (10 marks)
Q5	or stra	trategic management process does not end when the firm decides what strategy ategies to pursue. There must be a translation of strategic thought into strategic mentation.
	(a)	Define strategic implementation (2 marks)
	(b)	Strategic-formulation concepts and tools is said not to differ greatly for small, large, for-profit, or nonprofit organization.
		Discuss whether the same thing applies for strategic implementation. (8 marks)
Q6		rategic implementation Research and Development (R&D) personnel play tant role.
	(a)	Describe briefly the functions of Research and Development (R&D) personnel. (4 marks)
	(b)	Describe briefly THREE (3) major R&D approaches for implementing strategies. (6 marks)

END OF QUESTION PAPER

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Appendix 1

Table 2: The Quantitative Strategic Planning Matrix – QSPM for Computer Retail Store

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