BMBM6024 Strategic Management and Sustainability – MOCK exam

Strategic Management Examination Questions and Answer Template

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Students must answer all four questions in the template below:

Question	
1 (40%)	"Igor Ansoff argued, 'Strategic management is an ongoing process that evaluates and controls the business and the industries in which the company is involved.'" Using this insight, select **one** strategic model or strategy introduced during the course. Analyse how a company could use your chosen model or strategy to decide its next course of action in an economically uncertain or volatile business environment. Discuss the advantages and limitations of the model or approach, supporting your answer with relevant examples.

Write your answer here:

Ansoff Matrix according to Hague (2019) is a product/Market expansion grid which helps to identify and assess development prospects. It can also be described as a tool which assesses growth strategies based on products and Market. This model's can be used is used Market penetration, to announce and strengthen market Presence like in the Case of Coca-Cola, this strategy enhanced marketing efforts, promotional offers and expansion of distribution channels by diversifying to various environments.

A couple of advantages to this model is that

① it is simple and easy to use

② It also helps to identify growth opportunities.

③ It guides strategic decision-making.

The Limitations to the use of this Model:

(1) It Overlooks competition & Market changes

(2) It does not consider External risks

(3) It requires additional analysis for Implementation.

In reference to coca-cola, with the use of Ansoff Matrix, Sales where increased and brand presence was strengthened.

Relevance :- Ansoffs work remains found in strategic Planning especially for businesses evaluating growth paths, dealing with rapid change or aligning their strategic capabilities with environmental demands.

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2 (20%)	Evaluate how an organisation could leverage its internal strengths to develop and sustain a competitive advantage. You may choose any two strategic frameworks or concepts from the course to help guide your discussion. Illustrate your answer with examples from real-world businesses — including those explored in your coursework, where appropriate.

Write your answer here:

VRIO framework analyses resources and Capabilities for Competitive advantage.

Leverage this framework can be used to Leverage on its internal strengths because it is a resource based strategy with core Competency Analysis for Internal Audits

Pros: ① This model is useful for prioritising strategic investments.

② It encourages internal analysis of Unique resources to capture Value

In the case of Google & Apple this framework was used to it's great advantage by being able to identify and capture the talents & values within the Organisation. It also leveraged its internal strengths to help develop and sustain a competitive advantage.

Cons: ① This framework focuses only on Internal resources whilst ignoring external threats.

② It does not suggest how to develop or acquire missing capabilities.

However I would say in spite of these limitations, this framework has so far benefitted those organisations that has used this framework.

Porter's five forces is used to analyse industry structure and competiveness. It helps identify strategic moves like increase in customer loyalty or reduce supplier dependence.

In the case of Mcdonald, it faces a moderate to mild threat from new entrants, Small businesses lack the resources and funding to compete with larger fast-food chains.

However, established corporations and wealthy investors can enter the fast food industry with a healthier menu choice and strong bargaining power, the market could turn in their favour.

3 (20%)	Strategic choices often involve understanding consumer behaviour, perceived value, and the effectiveness of communication. Discuss how a business can enhance its strategic position by aligning pricing, marketing, or innovation strategies with customer expectations and behavioural insights. You may refer to any relevant theories or examples that support your argument.

Write your answer here:

Psychology of Pricing whereby the pricing for a product pack can be easily divided to equal parts making it easier for the Customer to believe it is affordable.

When the pricing indicates buying 3 items for the price of 2, this marketing strategy is a bid to attract more Customers.

(either dollar/pounds)

Another Example is when the denomination is not added to the product amount, this also Makes it look more affordable than it seems.

4 (20%)	Are people like Michael Porter and John Elliott (EBAC) correct, should businesses be concerned about changing the world for the better, or simply focus on making money for shareholders? Consideration of Corporate Social Responsibility (CSR), of shareholder and stakeholder theory, and of the importance of culture in a global context is important here.

Write your answer here:

Businesses should be concerned about helping the world be a better place for everyone. For example by creating charity works in a bid to give back to the society; Scholarships to be given to children or people who desire to educate themselves but do not have the means to do so.

In the case of an organisation with businesses in different countries, respect to culture is expected. Organisations should consider aligning with another countries culture when introducing business ideas. TK Maxx did not thrive in Germany due to the organisation not factoring some cultures into their planning and wanting to enforce their ideaology on the Germans.