

UNIVERSITI SAINS MALAYSIA  
MASTER OF BUSINESS ADMINISTRATION

Second Semester Examination  
Academic Session 1999/2000

February 2000

**AGW 612 – CORPORATE STRATEGY**

Time: [3 hours]

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**INSTRUCTIONS:**

Please ensure that this examination paper consist of 2 printed pages before you begin.  
Answer **question 1** and any **FOUR (4)** others.

1. “Increasingly companies cannot afford to ignore such an essential tool as strategic planning if they are to compete successfully in the years 2000”  

(25 marks)
2. It is recognised that analysis of external environment is a key part of the strategic planning process. It is also recognised that organisations face different types of challenges with respect to the opportunities and threats present in their environment. Explain the key implications of the nature of each environment for strategic planning.  

(25 marks)
3. Although it is now some years since it was first proposed by Igor Ansoff, the product market scope matrix for delineating alternative strategies in the matrix as follows:  
  - (a) Market penetration
  - (b) Market development
  - (c) Product development
  - (d) Diversification

(25 marks)
4. Outline and discuss each of the following four defensive strategies as being the alternative strategies companies facing business crisis.  
  - (a) Joint Venture
  - (b) Retrenchment
  - (c) Divestment
  - (d) Liquidation

(25 marks)

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5. One of the key developments in the area of Corporate Strategy in recent years has been the growth of so called " Strategic Alliances" between companies. Discuss some of the reasons for the strategic alliances including what you feel might be important future developments in this area. Discuss some of the major implications of the strategic alliances in the process of strategic management.

(25 marks)

6. Explain why strategy implementation is more difficult than strategy formulation? Also discuss why corporate structure is so important in strategy implementation?

(25 marks)

7. "In the 2000s, globalisation will mature from a buzzword to a pervasive reality. Companies will have to meet global standards for quality, design, pricing and services" Discuss.

(25 marks)

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