

# International Islamic University Chittagong

## Department of Business Administration

Mid-Term Examination, Spring-2022

Program: BBA

Course Code: MGT 4705, Course Title: Strategic Management

Time: 1 hour & 30 minutes

Marks: 30

[Answer three questions only. All parts of the same question must be answered serially]

1. (a) Define Strategic Management. Describe a standard process for strategic planning that reflects an organization's Strategy. 5
- (b) Criticize the formal strategic planning with response to alternative view of Strategy as an emergent process that can emerge from Serendipity, Autonomous action of lower-level managers, and unplanned shifts of top management 5
  
2. (a) Discuss how industries evolved over time, with reference to industry-life-cycle model. 4
- (b) Illustrate the implications of strategic group analysis for managers. 2
- (c) "The risk of entry by potential competitors is a function of the height of barriers to entry"-Explain how these entry barriers keep potential competitors out of an industry. 4
  
3. (a) Identify and explore the role of efficiency, quality, innovation and customer responsiveness in building and maintaining competitive advantage. 4
- (b) "The relationship between distinctive competencies and strategies is not a linear one; rather, it is a reciprocal one."-justify this statement. 3
- (c) Illustrate how Icarus Paradox explains competitive failure of a company. 3
  
4. (a) For a business to produce higher utility, it needs to reduce its costs or differentiating their product to add value and can earn a higher price, or perform both actions at once- Explain with reference to Utility analysis. 5
- (b) Companies may employ poor strategies despite proper preparation if cognitive biases are tolerated to influence their decision-making. What are these biases, and what are some techniques to make strategic decision-making more effective? Explain. 5