

You will answer 4 short essay [300-400 words each] questions and 1 long essay question [700 words]. In total you will answer 5 questions.

Once you open an exam in a time slot you must complete it. Exam is one take only.

Please remember you must **COMPLETE SUBMITTING** the exam a minute or two before the closing time because canvas will not accept any submission even a few seconds after closing time. Nothing will be saved unless you complete submitting. No late or emailed exams will be graded.

As always, I am looking for your understanding, your reasoning and I expect well developed examples wherever appropriate. Merely repeating material from textbook or other sources will not earn good points. Cutting and pasting long portions from outside sources only shows that authors in those sources know the subject. It is not a proof of your knowledge of material! I am looking to understand your knowledge of material.

Manage your time well, and do not spend too much time on some questions and run out of time on the others.

Good luck with the exam

Short Essay Questions: [each question is worth 65 points, for a total of 260 points]

1. A data storage company realizes that its facilities are used mainly by financial institutions. It capitalizes on the opportunity and starts storing specific financial information only and is now one of the most sought-after financial databases. What strategy has the company employed, and why is it working well?
2. Explain why an organization needs a strategic vision. What purpose does a strategic vision serve? Give examples.
3. Explain what is a cost driver, and identify at least four cost drivers that will impact a company's costs. Give examples. For which generic strategy[ies] are cost drivers important and why?
4. Identify two types of healthy corporate culture and one type of unhealthy culture with well-developed examples of companies with each of these types of cultures.
5. Diversification is considered successful when it builds value for shareholders. Explain the i. Industry attractiveness, and ii. Cost of entry, tests of shareholder value creation for evaluating diversification strategy with examples.
6. Instead of entering into an alliance or partnership, Smith Limited opts to merge with Design Limited. What are the reasons for preferring a merger to an alliance or partnership? Explain the other organizational mechanisms that are also preferable to alliances.

Long Essay questions: Answer one [140 points]

7. What are the key value chain activities (or functional strategies) needed to support the differentiation strategy? Describe the value chain activities of a company which uses this

strategy, and explain its core competencies and how it built them. What would the five forces be like for this company, and how does it deal with the five forces? What are the risks to a company using the differentiation strategy?

8. Explain the concept of diamond of national competitive advantage and how it can help companies decide which foreign markets to enter. Give examples. Further, explain with examples the advantages and disadvantages of franchise and wholly owned subsidiary [or greenfield venture] as methods for entering foreign markets.