



University of Kelaniya - Sri Lanka

Centre for Distance and Continuing Education

Faculty of Commerce & Management Studies

Bachelor of Business Management (General) Degree Second Examination (External) – 2013

January - 2017

BMGT E3015 – Strategic Management

No of questions : Eight (08)

Time: 03 Hours

Answer the first question and any other four (04) questions.

Lanka channel Limited

Lanka channel limited was established in 1998 and it has become a leading institute in the electronic media field in Sri Lanka at present. The turnover of the Lanka group of company in the last year was Rs. 12 Billion and it recorded a Rs. 9 Billion as profit after tax. It was a 24% increase compared to the last year performance. Further, the company is a listed company in the share market of the country and it recorded a 30% more market share price than the share prices of the competitors.

The Lanka Channel limited was started with the inauguration of the activities on Lanka F.M. Radio. With the success of that, the company started two other channels namely Neelam F.M. in Tamil medium and youth F.M. in English medium.

When it comes to 2004, Lanka radio limited became a leading position in the F.M. radio services of the country. This growth was largely contributed by the innovative programs introduced by the company. Accordingly, it operated various programs that were different from conventional radio services. As examples, the lunch hour radio programs in various organizations, live cast

events, contest with valuable prizes , and live radio with listeners can be cited. In addition to this, the company implemented large number of programs differentiating from the competitors. The philosophy of the management in this regard is that "not the companies programs but the listeners programs"

Due to this, Lanka radio limited became the leading radio channel in the country in 2005. With that, management of the company decided to enter in to the television industry. Accordingly, in 2006, a company namely Lanka TV was established for telecasting in Sinhala medium.

A separate management team was appointed for Lanka TV and it was allowed to operate as autonomous company separately from Lanka Radio Company. Accordingly, the new company started its operation under the new management, and there it set its mission as “ to become the Leading communicator, Entertainer and Educator of the country. It initiated different TV programs for each area and various programs among them were non-traditional programs in nature. The hot news, hourly news, live concerts, local and foreign films and tele dramas, and reality programs were highlighted. Because of these innovative programs, the Lanka TV was so popular among the people of the country and in 2010, Lanka TV was able to become the market leader in the TV industry.

However, the Lanka group of company faces few challenges at present. The main challenge of is is declining performance of the Lanka radio limited. Especially, with the new companies entering to the industry, Lanka Radio Company is losing gradually its position in the industry. These new companies initiated competing and modern programs and due to this, the market share of the Lanka Radio Company is shrinking. This situation is more observable in the Tamil and English medium channels of the company.

In addition to this, the challenge Lanka TV is facing is to protect the market position they have at present. With the face of the strategies followed by the competitive organizations in the industry, Lanka TV is losing their competitive advantage in their strategies. As a result of this, the company is experiencing a reduction of their competitive advantages gradually in the industry.

With the aim of facing this situation, the top management decided to review and evaluate the strategies of the group of the companies and to formulate and implement a new set of strategies for the group of companies.

(This is an Imaginary case)

Questions 01

a) Identify the various strategies, followed by the Lanka Channel company, before the performance issue of Lanka Radio Ltd., and analyze how they have caused for the success of the company.

(14 Marks)

b) Propose a set of strategies with justifications, in order to successfully face the challenges confronted by Lanka Channel company limited.

(14 Marks)

(Total Marks 28)

Questions 02

a) Explaining what is strategies, state the relationship between Strategies and Policies.

(09 Marks)

b) Describe an appropriate conceptual model for Strategic Management.

(09 Marks)

(Total Marks 18)

Questions 03

a) State briefly the main characteristics of an effective mission statement.

(08 Marks)

b) What are the major areas of Marketing and Distribution that should be evaluated under the functional analysis with internal environment analysis. State with examples.

(10 Marks)

(Total Marks 18)

Questions 04

a) Describe briefly the 'Boston Consulting Model' for choosing strategies for an organization.

(09 Marks)

b) Explain the main steps in formulating strategies with examples.

(09 Marks)

(Total Marks 18)

Questions 05

a) Stating what is meant by 'Stability Strategy', show the various situations where the stability strategy is possible to be implemented.

(09 Marks)

b) "The mix strategy is more common in reality among organizations". According to this statement, explain the various situations where organizations implement mixed strategies.

(09 Marks)

(Total Marks 18)

Questions 06

a) Show the instances where concentric and conglomerate diversification strategies can be adopted.

(09 Marks)

b) Explain briefly the Michal Porter's generic strategies and discuss the various ways of implementing them.

(09 Marks)

(Total Marks 18)

Questions 07

a) Explain the ways of linking performance evaluation and Reward management in implementing strategies.

(09 Marks)

- b) Describe the alternative strategies, an organization can implement for production and purchasing.

(09 Marks)

Questions 08

Write short notes on the three of the following topics.

- a) Review and Evaluation of Strategies
- b) Human Resource Management Strategies
- c) Organizational Structure and implementation of strategies
- d) Financial Strategies

(06 Marks for Each)

(18 Total Marks)

