Uva Wellassa University

Faculty of Management

Degree of Bachelor of Business Management in Entrepreneurship and Management

FOURTH YEAR 1st SEMESTER EXAMINATION – February/March 2012

EMG 471 -3 Strategic Management

Section - C Essay Questions

Answer only three (03) questions including question number one (01).

Total marks allocation for section C – 50 Marks

1. Leisure Motor Corporation is one of the leading automobile companies in Sri Lanka. It was established in 1995 as a subsidiary of Toyota Tsusho Corporation, Japan, to be the sole distributor for brand new Toyota vehicles and Genuine Spare Parts in the country with the renowned Toyota Quality service in Sri Lanka. Leisure Motor Corporation (LMC) currently focus on related diversified markets in Toyota automobiles, those are; Cars, Vans, Pickups, and Jeep types. The last five years sales of the above said types as follows;

Types	**Sales amount Rs. in million**				
	2006	**2007**	**2008**	**2009**	**2010**
Cars	345.9	390.8	412.9	534.7	545.3
Vans	934.8	1045.3	935.9	915.9	990.6
Pickups	856.8	890.5	945.7	1024.2	1201.9
Jeeps	1503.1	1434.5	1367.8	1292.8	1421.1

Furthermore, according to the analysis of the LMC the last five years profits given bellow;

Types	**Profit Rs. in million**				
	2006	**2007**	**2008**	**2009**	**2010**
Cars	86.2	89.884	82.58	133.7	136.3
Vans	233.7	240.419	187.18	228.9	227.8
Pickups	214.2	204.815	189.14	204.84	180.3
Jeeps	375.7	329.935	273.56	258.56	355.3

Apart from that, when analyzing the market competition of the Toyota brand in Sri Lanka, Nissan, Honda, Suzuki considered as a major competitors. However to the spirit of competition is strong and this has lead Toyota brand to continuously try to improve itself, at all levels. Continuous emphasis is laid on to attract more customers, maintains healthy relations with its suppliers and makes efforts to improve technology. Careful strategic planning at all levels has enabled LMC to achieve the highest market share and have an edge over other automobile companies in Sri Lanka. The LMC's competitors' sales figures in 2010 given bellow;

Companies	Types	Sales amount 2010 Rs. in Million
Lanka Motors (Nissan)	Cars	538.2
	Vans	1020.4
	Pickups	1324.1
	Jeeps	1300.0
Arian Motors (Honda)	Cars	495.6
	Vans	301.3
	Pickups	127.9
	Jeeps	120.5
Yulk Motors (Suzuki)	Cars	509.9
	Vans	399.9
	Pickups	101.4
	Jeeps	115.0

LMC aims at developing loyal customer relationship. For this reappoint tries its best to understand who the buyer is and what their needs are. It tries to listen to its customers, realizing that they may be their best collaborators. Over the previous years the LMC has put in its best efforts to sales and services quality cars for its customers. In Sri Lanka, more and more people want to experience the unique pleasure of motoring. Exhaustive, in-depth research and consumer surveys conducted over the past years revealed trends of customers and the environmental factors relating to use.

Questions:

a) Identify the market growth and relative market share of the LMC?

b) Plot the LMC's diversified products in to the BCG matrix and identify its competitive positions in the Sri Lankan automobile?

c) Recommend suitable marketing strategies for each diversified business of LMC?

(20 Marks)

2. "Matching structure to strategy requires making strategy critical activities and strategy-critical organizational units the main building blocks in the organization structure". Discuss the statement how organization can structure them to promote successful strategy execution?

(15 Marks)

3. "Wal-Mart, Dell Computer, and Seven-Eleven Japan companies that have built their success on superior design, planning and operation of their supply chain by having a close connection between the design and management (Supply Chain Decision) of supply chain flows". Critically discuss the statement.

(15 Marks)

4. Explain the impact of six drivers of Supply Chain Performance on organization competitive strategy and discussed how its components enhance the responsiveness of the Supply Chain?

(15 Marks)