**MGMT 425 Section FINAL EXAM - SPRING 2021**

The purpose of the following questions is to assess your ability to identify and appropriately apply relevant concepts pertaining to strategy and competitive advantage.

Many concepts come directly from Chapters 7- 12, as well as parts of Chapter 5. However, some questions will ask you to demonstrate proficiency in foundational concepts from earlier parts of the course.

In order for me to best assess your grasp of the concepts in context please do not use outside sources, other than the textbook and the lectures. **Plagiarism of any kind will result in failing the exam.** Direct quotes from the Rothaermel text or even the lecture notes may result in reduced credit. I need to assess your ability to articulate your reasoning in your own words. Your Turnitin score should be zero. **The one exception to your use of outside sources would be use of relevant real-world company examples. You may use examples from any of the companies we have studied (except Dunder Mifflin) or any other real world company.** Although real world examples are very helpful and may boost your grade, they are not required.

Please do not use your own personal experiences or use “I” or “in my opinion” as this is not appropriate in the context of an analytical paper.

**The exam is worth a total of 20% of your grade. There are four parts to this exam.**

1. **One 25 point question on Corporate Strategy**
2. **One 25-point question on General Business Strategy**
3. **One 25-point question on Innovation**
4. **One 25-point question on Strategic Execution, with a slight emphasis on maintaining ethical behavior**

Although each essay is worth 25 points, I will take into consideration what your two best essays are to weight them slightly higher. Some essays could merit a deeper discussion, so I will take that into consideration if you choose to focus more energy here. Use your best judgment.

The minimum number of words recommended per question is 500. The maximum number of words per question is 1000. **The maximum total number of words allowed is 3200.** Please do not exceed the maximum allotted number of words. Remember: I have 50 exams to grade and I read every word. More importantly, you should be able to express and edit your thoughts appropriately. Please do not turn in a first draft as you are unlikely to do particularly well if you do.

To complete the exam, simply type your answer below the question. Please use a standard font, but one that is different from Calibri (this font). You can change the spacing of the page to make it work for you.

**When you are done, save the document with your name included in both the file name and at the top of your first page. Submit it then to the dropbox before 11:59PM on Thursday, May 13th, 2021.**

**Please do not leave any question blank.** You can earn partial credit for incomplete responses.

You may want to glance at ALL the questions first before answering, then start with those questions about which you feel you are most confident.

You may use whatever notes you wish, but again, **if it is evident to me that you are simply mimicking notes from the text, power points, or the internet, you may get only limited, if any, credit.**

For every question, please first think through the question being asked and then provide as coherent an answer as you can. All answers must be provided in an essay format; **bullet points are not acceptable.**

**Again, throughout the exam, application of specific case examples is helpful, though technically not required. Feel free to use any case we have discussed or assigned (except for Dunder Mifflin) or with which you are personally familiar.**

As with every assignment, I will provide feedback, though perhaps not as much as when it was intended to help your subsequent assignment; but still enough so that you will understand how I assigned your score.

Feel free to email me if you have any questions!

Good luck, and all the best to you.

**Part One**

**#1**

**What is strategy? Imagine that you are brought in to speak to or consult with a group of managers seeking to grow their existing business. Please focus primarily on business or competitive strategy. You may touch upon corporate strategy as well, but that is mainly what is being asked in the first essay.**

**What are the first few things you would want to consider in assessing and formulating an overall business strategy regardless of what industry you are in. Please discuss both the company’s external environment as well as internal capabilities.**

**This is an opportunity to see how might briefly integrate the foundational concepts of the course in a way that demonstrates you understand their purpose and how they fit together.**

**Again: your task is to explain what strategy is and its purpose as well as how a firm goes about the process of analyzing and formulating their competitive strategy.**

**Part Two -**

**#2 - Corporate strategy is about how firms seek to continue growing beyond a single market or product line. As companies seek to diversify, and/or expand into new markets around the world, they may either “Build, Buy, or Borrow” their way into entering new markets and/or diversify their products, services, and/or business models.**

**As companies seek to grow, they will decide whether to build out their capabilities through vertical integration, build or leverage their core competencies to diversify their product offerings to expand or open new markets, buy their way into new markets or capabilities through acquisitions, or “borrow” their way into growth through strategic alliances.**

**Please discuss the Build, Buy, or Borrow framework. Get to the point. Without directly quoting the text, please discuss how companies determine their corporate strategic approach to growth. Please consider the conditions under which each example may be appropriate or not appropriate, including, briefly, the company’s financial position and capabilities. What might be the advantages and risks of each approach, and under what circumstances? Give specific business examples (even if they’re not about real companies)**

**Please also note that you are not required to discuss every piece of terminology from the text or relevant slides; although I want you to be specific, I would much rather see that you can conceptually grasp and apply the bigger picture of corporate strategy than to get tangled up in some of the terms that we did not discuss at length in class. Another hint is that you should look at this question as more of a broad-based analysis of corporate strategy rather than a deep dive into Build, Buy, or Borrow slide!**

**Part Three -**

**#3 - Historically, as firms grow, they become less entrepreneurial and become more focused on efficiency and consistency. This dynamic, however, is changing as firms realize that size and market share alone are not sufficient to sustain their competitive advantage. What are some of the ways in which firms seek to remain innovative and entrepreneurial, even as they become large or even dominant players?**

**Please mention very briefly why innovation is important in order for firms to remain competitive but more importantly discuss HOW mature organizations seek to remain competitive.**

**Some of the issues relevant to discuss include:**

* **Different types of innovation and their purpose, as well as which types of firms might use these forms and why**
* **Relevance of what stage of development is the industry life cycle**
* **How firms should manage and measure their commitment to innovation**
* **Overall, given the above factors, how might firms organize themselves to ensure accountability around innovation**

**Part Four**

**A company can formulate a brilliant strategy but fail in its execution, not just because of changing competitive or market conditions, but specifically because of weaknesses in their internal execution. Our discussion parsed out issues of organizational structure, controls, and culture. Please discuss the importance of all three in aligning a company’s execution with it formulated strategy.**

**In particular, please consider the special yet elusive role of company culture; consider the phrases “Culture eats strategy for breakfast” and “You get what you reward” as you discuss company culture and its relationship to structure and controls and at least briefly discuss them.**

**In addition, please briefly indicate why and how firms may voluntarily aspire to follow the highest ethical standards in all their practices beyond the minimum of the law. This is not an entirely separate question but can be feasibly integrated into your overall discussion of culture, structure, and controls and overall internal execution.**

**Please be mindful as well that although there could be overlap in use of concepts between essay 3 and 4 that these are still very much distinct discussions. You may discreetly use some similar concepts but you won’t get full credit if you liberally repeat your discussion from Essay 3.**