

## **PART I - MCQ**

- 1 – B
- 2- D
- 3 – E
- 4 – C
- 5 - D
- 6 – C
- 7 – A
- 8 – C
- 9 – C
- 10 - E
- 11- A
- 12 – E
- 13 – A
- 14 – D
- 15 - A

## **Part 02**

### **1. ORGANIZATION AND MANAGEMENT**

- a) What are the main steps to take in analysing the organisation' s environment? Why is it necessary to do this?**

External environment:

- (a) Assess how general environmental factors are changing and their likely impact.
- (b) Assess competitive environment and activities of competitors (e.g. how are their strategies changing, are they developing new products/markets etc.)
- (c) Analyse stakeholder interests and potential influence on organisation.

Internal environment:

Assess the organisation's strengths and weaknesses, i.e. what does it do well, what badly, does it have the right mix of resources, how does it compare with its competitors, etc. Overall aim is to ensure organisation suitably configured to deal with environmental challenges presented and/or to take advantages of opportunities that arise.

- b) Describe the main phases in the strategy process and describe three generic strategies that organisations can follow. Give examples of three businesses each following one of these strategies.**

Strategy process: Analyse, Formulation and Implementation

*Cost-leadership:* easyJet

*Differentiation:* The Body Shop (emphasis on natural products, social responsibility etc.);  
VW-Audi (image, style, performance, especially Audi range);

*Focus:*

(a) cost focus – supermarkets such as Food Giant and Iceland (low-cost, lower income customer segment)

(b) differentiation focus – Cala Homes (quality homes, upper end of market); Evernat (a Swiss company producing healthy, organic foods)