

1. Assume that you're a manager at each of the following organizations. What types of general external information do you think you'd need in order to determine potential opportunities and threats? (Be sure you look at all five general sectors.) (30%)
 - (a) Action Lasers, a small local company that recharges printer cartridges for laser printers.
 - (b) The national office of the American Red Cross.
 - (c) Andreason Brokerage, a food broker that does business in the United States, Canada, Mexico, and South America.
 - (d) Corporate headquarters of America Online, the computer on-line service provider.
 - (e) Birmingham Performing Arts alliance, an alliance of nonprofit performing arts organizations (theater, dance, opera, and symphony) in Birmingham, Alabama.
2. It has been argued, on the one hand, that the conglomerate firm is the firm of the future. On the other hand, it has been argued that it contributes nothing to the economic development of a country and is therefore socially undesirable. What is behind these arguments? What are your views on the future role of the conglomerate? (20%)
3. What is the difference between a strategic business area and a strategic business unit? How are the two related? What criteria should be applied to determine whether strategic segmentation of a firm has proceeded far enough? What conclusions would you draw when segmentation of a small firm produces a large number of SBAs? (20%)
4. Briefly answer following questions: (30%)
 - (a) Which is more important in explaining the success and failure of companies. Strategy or luck?
 - (b) Why is it difficult for a company in one strategic group to change to a different strategic group?
 - (c) What are the relationships between differentiation and strategic control systems.