



**Aalto University**  
School of Science

Department of Industrial Engineering and Management  
Institute of Strategy  
Professor Tomi Laamanen

## **TU-91.1003 Principles of Strategic Management**

### **3 credit version**

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#### **Instructions:**

- Write all your answers on the concept paper sheets
- We prefer answers in the course language (English) but you can also answer in Finnish or Swedish
- If you translate any English terms, please mention the original term (for example in parentheses)
- Return this exam paper and all the included material after the exam

**GOOD LUCK!**

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#### **PART A (15p)**

**Question 1:** Briefly (MAX two sentences) define the following terms.

- a) Acquisition (1p)
- b) Primary activities (1p)
- c) Threshold capabilities (1p)
- d) Related diversification (1p)
- e) Hypercompetition (1p)
- f) The suitability of a strategy (1p)

**Question 2:** Shortly answer the following assignments.

- a) Present Porter's Diamond framework, its dimensions and uses. (2p)
- b) Mention (at least) two advantages and two disadvantages of having a matrix structure in your organisation. (2p)
- c) Why are strategies needed in organisations, according to the opening lecture by professor Tomi Laamanen? (2p)

#### **Question 3:**

Write a short essay (½-1 page) presenting **the four corporate-level Strategic Directions according to Igor Ansoff (the Ansoff matrix) and how you would use the framework in practise.** (3p)

**PART B – The Essay (12p)**

In this essay, your task is to **present Porter's Five Forces framework and use it to analyse an industry of your choosing.**

You should begin by introducing the framework and its uses. Then, explain each of the Five Forces and some conditions that lead to that particular Force to have a high impact. You should also present the main limitations (i.e. disadvantages) of the framework.

After presenting the theoretical framework, you should choose an industry that you are familiar with and analyse it using the Five Forces. Remember to explain your reasoning well. Finally, reflect on how you should manage an established company in that industry, based on your analyses.

**OPTIONAL – Feedback (0,5p)**

We hope that you will give your feedback on the examination after finishing your work. You will be awarded with half a point for answering these questions.

**Statements** (please use the scale to the right):

- a) The questions in the examination were relevant.
- b) There was enough time to answer the exam questions.

**Answer the statements using this scale:**

- 0 – Not applicable to me
- 1 – I completely disagree
- 2 – I somewhat disagree
- 3 – I somewhat agree
- 4 – I completely agree

**Open-ended question:**

- c) What was good and how could we further develop the examination?