

SEMESTER SPRING 2012

STRATEGIC MANAGEMENT (MGT603)

Assignment No. 02

Due Date: 07-06-2012

Marks: 30

Topic:

“Strategic Position and Action Evaluation matrix”

Learning Objectives:

- To help understand how to prepare a strategic position and action evaluation matrix.
- To introduce the significance of company’s strategic position in the market.
- To understand how it is helpful for strategic formulation framework.

Learning Outcomes:

- Learner will be able to understand and prepare a space matrix for the organization.
- Learner will be able to assess the strategic position of the organization.
- The learner will be able to identify the appropriate strategies for improving the company’s strategic position.

THE CASE

Umer fabric is a textile company working in Faisalabad since 2008. It is vertically integrated unit covering complete range of operations from spinning to retailing.

Umer fabric offers a wide range of products and is capable of producing more than 70 million meters of fabric per annum into garments. Since its inception they are working on the same principles without taking any innovation in their products. Due to huge competition in the market, company CEO (Mr. Ahmed) observed a major decline in market share and low market growth for his products. He appointed you as a “strategic analyst” for this purpose to analyze the company’s strategic position in the market.

Following are the key indicators of his company's position.

Internal Strategic Position

Financial Strength (FS) = + 4

Competitive Advantage (CA) = - 4.5

External Strategic Position

Industry Strength (IS) = + 1.5

Environmental Stability (ES) = - 2.0

The Requirement:

- Being a strategic analyst draw a space matrix according to the company's strategic position and discuss possible reasons of lying in specific quadrant. (15 marks)
- Suggest most appropriate strategies to the company according to the selected quadrant for improving its strategic position. (15 marks)

Note:

- SPACE Matrix Template is available at LMS in Download section.

The Special Note: How can you avoid zero marks status?

Dear Students!

You are encouraged to consult both online and offline sources with objective to enhance your understanding of the topic of the assignment. But consulting the sources does not mean that you start copy-paste the material from sources. If you do so you will certainly lose marks or your assignment will be graded zero on account of copying from a source. The workable strategy is to consult the source, enhance your knowledge and write in your own words. A special instruction regarding how to attempt the assignment is given in the announcement because it has been observed that many site and blogs are promoting the culture of cheating and copy/paste among the students and adversely damaging the grades and career of VU students. You all are requested not to copy or read such sub-standard answer that not only kills the creativity but also sabotage the career as well.

Best of luck!

Note:

Only in the case of Assignment, *24 hours extra / grace period* after the due date is usually available to overcome uploading difficulties which may be faced by the students on last date. This extra time should only be used to meet the emergencies and above mentioned due dates should always be treated as final to avoid any inconvenience.

Important Instructions:

Please read the following instructions carefully before attempting the assignment solution.

Deadline:

- **Make sure that you upload the solution file before the due date. No assignment will be accepted through e-mail once the solution has been uploaded by the instructor.**

Formatting guidelines:

- **Use the font style "Times New Roman"/ "Arial" and font size "12".**
- **It is advised to compose your document in MS-Word 2003.**
- **Use black and blue font colors only.**

Solution guidelines:

- **Every student will work individually and has to write in the form of an analytical assignment.**
- **Give the answer according to question.**

- **For acquiring the relevant knowledge don't rely only on handouts but watch the video lectures and use other reference books also.**

Rules for Marking

Please note that your assignment will not be graded or graded as Zero (0) if:

- **It has been submitted after due date**
- **The file you uploaded does not open or is corrupt**
- **It is in any format other than **.doc (MS. Word)****

It is cheated or copied from other students, internet, books, journals etc...