



Requirements for this paper:

Multi choice cards: ☐

Non-programmable calculator: ☒

Graphic paper: ☐

Laptop: ☐

Open book examination ☒

EXAMINATION: 5 June 2018

QUALIFICATION: MBA

MODULE CODE: MBAC811

DURATION: 4 HOURS

DESCRIPTION: STRATEGY MANAGEMENT

MAX: 100

EXAMINER: PROF RA LOTRIET

DATE: 05/06/2018

MODERATOR: Prof. Kobus Jonker
Nelson Mandela Metropolitan University

TIME: 09:00-13:00

LET WEL/PLEASE NOTE: THIS IS AN OPEN BOOK EXAMINATION/HIERDIE IS 'N OOPBOEK EKSAMEN.

Instructions/Instruksies

- Beantwoord alle vrae / *Answer all the questions*
- Toon alle berekenings ten alle tye duidelik / *all calculations must be clearly indicated*
- Geen opstelle – skryf feitelik en gestruktureerd / *No essays – write factual and structured*
- Bronverwysings van navorsing (anders as die voorgeskrewe bron) / *List all the sources other than the prescribed textbooks which you consulted*
- Nommer aantal vraestelle duidelik / *Clearly mark the number of scripts completed*

QUESTION 2/ VRAAG 2:**[80]**

Answer strictly according to the numbering sequence / *Beantwoord die vrae streng volgens die numeringsvolgorde*

1. What are the key change drivers in Accor's macro-environment and what impact are they likely to have on the firm? Use a table format as illustrated (14)

Factors?	Changes/drivers?	Implications (likely impact)

2. (a) How strong are the competitive forces in the hospitality industry? Do a forces diagrammatic analysis to support your answer. (b) What does a diagrammatic analysis of Accor's competitors reveal about the key relationships in the industry (c) Also relate to the types of industry structure here (10)
3. Which organizations have the greatest bargaining power in the hotel industry supply chain? Here you must also relate to the so-called forces and factors in the micro-environment (i.e the expanded five-forces framework) (6)
- 4.

"... The third little pig wanted to build a wolf-proof brick house. But the other two pigs thought that would take away resources from their budgets, so they talked him out of it right before the wolf killed all three of them." (McKinsey & CO, 2018)

Think about the resources and capabilities that Accor possesses. (4a) Identify examples of the key resources covered in the case study. 4(b) What do you think are Accor's key strengths and significant weaknesses? (4c) Apply the "VRIO" tests to Accor and determine its distinctive competitiveness (12)

5. (a) Which of the generic strategies most closely fit the competitive approach that Accor is taking? / Watter van die generiese strategieë is mees tipesend van Accor se mededingende benadering?

(b) Discuss Accor's strategy and important strategy elements? Bespreek Accor se strategie en die belangrike strategie-elemente daaraan verbonde (10)

6. How well is the strategy of Accor performing financially? (Do the applicable financial ratio analysis based on the information in the exhibit). Justify by illustrating the formulas and calculations clearly / Evalueer Accor se strategie op grond van die maatskappy se finansiële prestasie soos bewys word deur toepaslike finansiële verhoudings uit die tabel te bereken. Toon duidelik die formules en berekenings (10)

7.

"We find that a surprisingly large number underestimate the increasing momentum of digitization, the behavioral changes and technology driving it, and, perhaps most of all, the scale of the disruption bearing down on them. Many companies are still locked into strategy-development processes that churn along on annual cycles. Only 8 percent of companies we surveyed recently said their current business model would remain economically viable if their industry keeps digitizing at its current course and speed. How can this be, at a moment when virtually every company in the world is worried about its digital future?" (- from: Why digital strategies fail? (January 2018, Jacques Bughin, Tanguy Catlin, Martin Hirt, and Paul Willmott),

Explain to the CEO of Accor the major generic reasons why so many digital strategies are failing? / Verduidelik aan die HUB van Accor die hoofredes waarom so baie digitale strategieë misluk (10)

8. Based on your case analysis, what recommendations would you make to Accor CEO Sebastien Bazin going forward about the Accor strategy? Justify! / Op grond van jou gevallestudie-analise, watter aanbevelings sal jy maak aan die HUB Sebastien Bazin aangaande Accor se strategie vir die volgende aantal jare? Motiveer! (8)