4 sample examination questions and answers and the examination standards by which they have been or will be assessed (total exam consists of 3 questions)

Question 3d
Consider the following statement: "High switching costs of a firm towards its suppliers or buyers will decrease the bargaining power of suppliers or buyers in the Five Forces Model of Porter". Is this statement right or wrong? Explain why.(max: 4 points)

Answer 3d
Wrong! Switching costs mean that it is difficult or expensive to change suppliers or buyers. So bargaining power of suppliers or buyers will increase while the bargaining power of the firm decreases.(see Schilling, p. 112)
- *Wrong: 40 %*
- *explanation 60 %*

Question 4c
In the 1960s and 1970 Xerox was the most important and successful producer and supplier in the photocopier market. In the 1980s Xerox was confronted with the so-called *Icarus Paradox*. What is the *Icarus Paradox*? Explain how Xerox fell prey to it. (max: 3 points)

Answer 4c
The Icarus Paradox means that a firm after a certain successful period fails abruptly. Xerox was very successful in the 1960s and 1970s and did not pay attention to Japanese competitors that – e.g. Canon – were able to produce such machines of the same quality but at lower costs (Schilling p. 209).

- *failure after successful period (50 %)*
- *lack of attention to Japanese competitors (50 %)*

Question 5b
Give an example of how a structural ambidextrous organisation can be organized. (max 6 points)

Answer 5b (max 40 words)
Any example where the separate unit/ spin-off/ new venture/ autonomous project team is mentioned

Question 6b
Using the ties in your network, you have a novel information that can lead to new ideas. However, these cannot be considered entrepreneurial opportunities immediately. Why not? (max 6 points)

Answer 6b (max 50 words)
- *Ideas need to be worked on, they require a fit with a paying customer and thus need to bring value to the customer (solve a problem), and also to the producer*