MACHAKOS UNIVERSITY

University Examinations for 2018/2019 Academic Year

SCHOOL OF BUSINESS AND ECONOMICS

DEPARTMENT OF BUSINESS ADMINISTRATION

FIRST YEAR FIRST SEMESTER EXAMINATION FOR

DOCTOR OF PHILOSOPHY IN BUSINESS ADMINSTRATION

BBA 926: THEORETICAL FOUNDATIONS OF STRATEGIC MANAGEMENT

DATE: 20/5/2019 **TIME: 9.00-12.00 PM**

INSTRUCTIONS

i. Answer ANY FOUR questions.
ii. All questions carry 25 marks each.
iii. Use of relevant examples and real life cases is encouraged.

QUESTION ONE (25 MARKS)

a) Using relevant real case situations explain your understanding and application of thoughts under each of the following.

  i. Scientific management theory (7 marks)
  ii. Administrative management theory (6 marks)
  iii. Behavioral management theory (6 marks)

b) What shortcomings can be associated with each of the above schools of thought(6 marks)

QUESTION TWO (25 MARKS)

a) Corporate governance as concept and practice has become of age across sectors and markets. Make a discussion on why this is being given critical attention across markets and institutions. (8 marks)

b) "Under-performance of various institutions (both in public and private) in Kenya has been linked to non-existence of any governance structure or existence of bad corporate governance practices." With reference to various real entities and situations discuss this assertion. (7 marks)

c) Make a synthesis of the views from agency theory and stakeholder theory in terms of how each of these inform the corporate governance practices. (10 marks)

QUESTION THREE (25 MARKS)

a) Make a discussion of events or situations that led to the criticism of strategic management concept in the 1970s and 1980s. (9 marks)

b) Discuss the relevancy and adequacy of the following frameworks in aiding managers' understanding of business environment and making strategic decisions

   i. Michael Porter's five forces (8 marks)

   ii. PESTEL analysis (8 marks)

QUESTION FOUR (25 MARKS)

a) "Business theories are considered important to both today's industry practitioners and business researchers" citing good examples discuss this statement. (6 marks)

b) Using suitable examples discuss how the following theories can inform strategic decisions of today's businesses

   i. Theory of absolute advantage (3 marks)

   ii. Theory of comparative advantage (3 marks)

   iii. Factor proportions theory (3 marks)

c) According to the Resource –Based view, "Organizations possess a range of resources which are expected to aid in the realization of their respective organizational success". Using appropriate examples discuss this statement. (10 marks)

QUESTION FIVE (25 MARKS)

a) "The Balanced Scorecard (BSC) is a strategic performance management framework that allows organisations to manage and measure the delivery of their strategy". Discuss your understanding of this concept and how its utilization can aid organizations realize their goals. (10 marks)

b) Citing real business situations, discuss the perceived theoretical link between leadership and enterprise performance. (10 marks)

c) It is argued that strategy comes about either as Intended strategy, emergent strategy or logical incrementalism. Discuss how managers can manage the process to ensure that much of the realized strategy is as a result of the intended strategy. (5 marks)