MACHAKOS UNIVERSITY

University Examinations for 2018/2019 Academic Year

SCHOOL OF BUSINESS AND ECONOMICS

DEPARTMENT OF BUSINESS ADMINISTRATION

FIRST YEAR SECOND SEMESTER EXAMINATION FOR

MASTER OF BUSINESS ADMINSTRATION

BBA 845: STRATEGIC MANAGEMENT

DATE: 17/5/2019 **TIME: 9.00-12.00 PM**

INSTRUCTIONS

i. Answer questions **ONE** and **ANY OTHER THREE** questions. In total answer **FOUR** questions.

ii. Question ONE carries 30 marks in total while the rest of the questions accounts for 20 marks each.

iii. Use of relevant examples and real life case scenarios is encouraged.

QUESTION ONE (30 MARKS)

For the last three years, the performance of ABC company has been on a down-hill recording negative profits, declining market share and unable to meet her financial obligations. Early this year the company enlisted the services of a consultancy firm who carried out a strategic analysis as one way of facilitating the choice of strategy(ies) that will guide the company to turnaround and become a more effective and successful once again. The consultant has sought your help in crafting the most appropriate strategies for the firm.

Required

a) Make a brief discussion on what strategic analysis entails. (12 marks)

b) With reference to the case scenario and using good examples discuss any three justifications for a company to find it necessary to invest resources in carrying out strategic analysis. (9 marks)

c) Advice the firm on three key evaluation criteria that should be utilized to ensure the right choice of strategies is achieved. (9 marks)

QUESTION TWO (20 MARKS)

Machakos Century Investments has been in existence for the last ten years providing insurance services and related products. All this time the company has been operating without a formal strategic plan. You have been given responsibility to spearhead the strategic planning process of the company. It is expected that you will drive the process in terms of providing guidance not only on strategy formulation but also how these strategies can be translated to realize expected outputs and outcomes.

Required

Providing good, relevant and convincing examples, prepare a presentation to the company's management discussing the FIVE key tasks of strategic management that will need to be given critical attention. (20 marks)

QUESTION THREE (20 MARKS)

a) Using an organization you are familiar with,

   i. Explain how a mismatch can occur between an organization and its external environment (6 marks)

   ii. What are the likely consequences of such a mismatch? (6 marks)

b) Modern organizations (profit making and not for profit making) are increasingly embracing a stakeholder analysis and approach in managing their institutions. Using suitable examples, discuss the need triggering embracement of this practice. (8 marks)

QUESTION FOUR (20 MARKS)

Virgin America is breaking new ground when it comes to IT infrastructure. Virgin America is planning on reducing its IT related costs by mainly outsourcing everything including customer support.

Required

With reference to the above statement, evaluate the company's business strategic move, pointing out whether and how the move can work for the company in realizing the following "Michal Porter's generic" competitive advantages. You can make appropriate assumptions.

a) Cost Advantage (10 marks)

b) Differentiation Advantage (10 marks)

QUESTION FIVE (20 MARKS)

a) Using good and suitable examples, discuss the relevance and usefulness of the "Balanced Score" concept to modern organizations. (10 marks)

b) Using suitable examples, discuss Challenges involved in monitoring and evaluating strategy implementation and effectiveness. (10 marks)