

CHUKA



UNIVERSITY

UNIVERSITY EXAMINATIONS

EXAMINATION FOR THE AWARD OF DEGREE OF MASTER IN BUSINESS
ADMINISTRATION

MBAD 877: CORPORATE STRATEGY AND SYSTEM DYNAMICS

STREAMS: MBAD

TIME: 3 HOURS

DAY/DATE: TUESDAY 05/10/2021

8.30 A.M. – 11.30 A.M.

INSTRUCTIONS

- Answer all questions

Question one

- a) The coronavirus pandemic provides us with a somber reminder that the world is volatile. Our planning for volatility should involve more than panicked midnight runs for hand sanitizer and face masks. Those who prepare for the things they can't control are in a better position to react to the unexpected. It is becoming clearer which companies need to bake agility into their strategies and operating models. The word agile conjures up a way of doing business where things are a bit chaotic, but it doesn't have to be that way. Best-in-class organizations have a vision for the future, and the ability to pivot based on changing levels of demand. Advise corporates on ways to adapt to dynamic shifts in market conditions.

(10

marks)

- b) Competitive strategy concerns how to create competitive advantage in each of the businesses in which a company competes. Corporate strategy is what makes the corporate whole add up to more than the sum of its unit parts. Identify any strategy for establishing a competitive advantage.

(10 marks)

- c) The concept of corporate strategy most in use is portfolio management, which is based primarily on diversification through acquisition. The corporation acquires sound, attractive companies with competent managers who agree to stay on. Discuss the importance of portfolio management. (10 marks)

Question two

- a) To translate the principles of corporate strategy into successful diversification, a company must first take an objective look at its existing business and the value added by the corporation. Only through such an assessment can an understanding of good corporate strategy grow. That understanding should guide future diversification as well as the development of skills and activities with which to select further new business. Advice on the action program which can provide a concrete approach to conducting such a review. (10 marks)
- b) Building a business strategic plan presents an opportunity to spend time thinking through all the exciting growth ideas you've pondered and put them on paper, you are advised to exercise your due diligence, to set yourself up for success. What are the necessary areas to include. (10 marks)

Question three

- a) Strategy implementation refers to the executive of the plans and strategies, so as to accomplish the long-term goals of the organization. Demonstrate how strategy execution starts when the strategy implementation ends. (10 marks)
- b) Discuss keys to successful strategy execution. (10 marks)

Question four

Good corporate governance means that the processes of disclosure and transparency are followed so as to provide regulators and shareholders as well as the general public with precise and accurate information about the financial, operational and other aspects of the company. It is believed that corporate governance is carried out in accordance with the Company's Corporate Governance Code.

Required

- a) Discuss principles of a good corporate governance. (8 marks)
- b) Identify the Pillars of Good Corporate Governance. (12 marks)
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