

CHUKA



UNIVERSITY

UNIVERSITY EXAMINATION

RESIT /SPECIAL EXAMINATION

EXAMINATION FOR THE AWARD OF DEGREE OF MASTER OF BUSINESS
ADMINISTRATION

MBAD 881: STRATEGIC MANAGEMENT

STREAMS:

TIME:3 HOURS

DAY/DATE: FRIDAY 05/11/2021

8.30 A.M – 11.30 A.M

INSTRUCTIONS:

1. Answer all questions.
2. Marks will be awarded for clarity and originality of ideas
3. Do not write on the question paper

Questions

Question One

You want to venture into a business since you have realized that with the onset of Covid-19 it is important to have a side hustle. Perform an analysis of the industry you would want to venture into using Porter's five forces model stating the strength of each of the forces in that industry. (20 marks)

Question Two

- a) "A company's past success can be its greatest weakness". Discuss this statement in relation to concept of environmental turbulence. (10 marks)
- b) The governor of your county has been advised that his county would greatly benefit from strategic management. However, he does not believe this because strategic management is really a private sector issue that is irrelevant in the public sector. Practically illustrate to your governor how your county can benefit from strategic management. (10 marks)

Question Three

Your friend is the CEO of Mali Mingi Enterprises. His company has not been doing well for several years. Last year, he hired a strategy consultant to help him devise a strategy to revamp his company. With the consultants help, your friend drew up a strategic plan which he believed was a 'winning formula'. However, he is not sure how the company is progressing since the organization has not completed executing some of the ideas. However his gut feeling is that things are not improving and his managers feel that the plan developed is really the CEOs way of justifying his work.

- a) Explain to your friend how he can match strategies to the institutions of the organization in order to ensure they are effectively implemented (10 marks)
- b) Showing why waiting until all the ideas have been completely executed is not appropriate to evaluate the strategic plan, explain to your friend more appropriate ways of evaluating and controlling the strategic plan (10 marks)

Question Four

- a) In choosing the strategy to implement, managers can be driven by objective and/or subjective considerations. Set out the steps that you would follow to select strategic options objectively and show five subjective considerations that might influence your choice. (10 marks)
- b) Distinguish between horizontal and vertical integration showing the forms these strategies take and the reasons why managers may decide to pursue these strategies. (10 marks)

Question Five

- a) In determining the business portfolio, most organizations apply the BCG Matrix. Explain this model, clearly setting out the strategies available for businesses using this model. (10 marks)
 - b) You have been tasked with drafting strategic objectives for Chuka University. Set out five areas that you would address and draft an objective for each area identified (10 marks)
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