

CHUKA



UNIVERSITY

UNIVERSITY EXAMINATIONS

CHUKA, THARAKA AND EMBU CAMPUSES

EXAMINATION FOR THE AWARD OF DEGREE OF BACHELOR OF COMMERCE,
BACHELOR OF COOPERATIVE MANAGEMENT AND BACHELOR OF
PROCUREMENT AND LOGISTICS MANAGEMENT

BCOM 403: STRATEGIC MANAGEMENT

STREAMS: BPLM/BCOM Y4S1

TIME: 2 HOURS

DAY/DATE: TUESDAY 04/12/2018

8.30 A.M. – 10.30 A.M.

INSTRUCTIONS:

- Answer question 1 (one) and any other two questions.
- Marks will be awarded for clarity and originality of ideas.
- Do not write on the question paper.

QUESTIONS

1. *The governor of your county has approached you to assist in defining the strategic direction of the county. Specifically, he requires the members of the country assembly to understand the process of strategic management and its implications in the current political and economic conditions.*

- (a) How would the county government benefit from strategic management? (10 marks)
- (b) With reference to the levels of turbulence, explain why it is important for the country government to adhere to the strategic success formula as advanced by Igor Ansoff. (10 marks)
- (c) Discuss the features of strategic decisions that necessitate the attention of the governor and the members of the county assembly. (10 marks)

2. (a) The BCG matrix is one of the commonly applied methods of business portfolio analysis. However, recent studies have proved that BCG may lead to misdiagnosis of business units. Explain the limitations associated with this matrix. (10 marks)
- (b) Discuss any six roles that policies play in the implementation of strategies and outline the pros and cons associated with unwritten policies. (10 marks)
3. HFC Ltd is considering which strategies to apply in order to meet its goals of providing affordable housing in line with the big four agenda set out by the president. The company has come up with two options recycled container houses and brick apartments. The company has approached you to assist in moving the process forward.
- (a) Clearly illustrating any 3 criteria you would apply, describe how you would select between the two alternatives in the most objective way. (10 marks)
- (b) Explain to the company executives how they would control the chosen strategy? (10 marks)
4. (a) One of the five forces in analyzing industries according to Michael Porter is supplier power. Picking on a Kenya industry of your choice, discuss the nature of the factors that affect supplier power in that industry. (10 marks)
- (b) The mission statement of an organization, although being a generalized statement is fundamental to any organization. Explain. (10 marks)
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