

CHUKA



UNIVERSITY

UNIVERSITY EXAMINATIONS

FOURTH YEAR EXAMINATION FOR THE AWARD OF DEGREE
OF BACHELOR OF EDUCATION (ARTS)

BUST 411: STRATEGIC MANAGEMENT

STREAMS: BED (ARTS) Y4S1

TIME: 2 HOURS

DAY/DATE: FRIDAY 8/12/2017

2.30 P.M - 4.30 A.M.

INSTRUCTIONS:

- Answer Question ONE and any other TWO Questions.
- Marks will be awarded for clarity of ideas.
- Do not write on the question paper

QUESTION ONE

You are a teacher in Malezi Academy: In the light of the increased school arson attacks, your principal invited all the teachers and board members to a strategy seminar. With this seminar, the principal hopes that the teachers can draft proactive strategies that can prevent unrest at your school. However, some teachers do not believe that a strategic management approach would be useful in this case since it is a disciplinary issue. They believe all that is needed is a suspension of the ban on caning students and discipline will be restored in schools. Your principal believes that a proper analysis of your internal environment would shed light on the strengths and weaknesses of your school and specifically whether they would be a source of student unrest.

- (a) What is strategic management and in which four ways can a school benefit from strategic management? [10 Marks]
- (b) In setting strategic objectives for your school, what characteristics would you adhere to so that you set good objectives and how would you ensure that you have adhered to these characteristics? [10 Marks]
- (c) Differentiate between the functional approach and the value chain approach in internal analysis and explain how you would perform an internal analysis of your school using the functional approach. [10 Marks]

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QUESTION TWO

- (a) State and explain Ansoff's strategic success hypothesis and highlight the levels of turbulence as set out by Ansoff. [10 Marks]
- (b) It is common for organizations to choose strategies to implement based on subjective considerations rather than objectively set out criteria. Discuss five subjective considerations that organizations consider in choosing the best strategy. [10 Marks]

QUESTION THREE

- (a) Buyer power is one of the five forces that affect industry competition. Picking on any industry of your choice, illustrate the nature of buyer power in that industry showing the factors that affect the buyer power in that industry. [10 Marks]
- (b) What are the levels of management involved in strategy and how do policies assist managers in implementing strategies? [10 Marks]

QUESTION FOUR

- (a) Porter's generic strategies are fundamental to all organizations regardless of the industry. With reference to institutions of higher education in Kenya, explain Porter's generic strategies clearly illustrating your responses with examples from this industry. [10 Marks]
- (b) Why are strategic controls seen as steering controls and what strategic controls can businesses use to control strategies? [10 Marks]

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