

CHUKA



UNIVERSITY

**UNIVERSITY EXAMINATIONS
RESIT/SPECIAL EXAMINATIONS**

EXAMINATION FOR THE AWARD OF DEGREE OF BACHELOR OF COMMERCE

BCOM 402/403/AGBM 451/BBAM 402/BUST 411: STRATEGIC MANAGEMENT

STREAMS:

TIME: 2 HOURS

DAY/DATE: THURSDAY 26/07/2018

11.30 A.M – 1.30 P.M

INSTRUCTION:

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

1. (a) Briefly explain five reasons why strategic decisions are different from operational decisions. [10marks]
(b) Define turbulence and show the levels of turbulence as described by Igor Ansoff and then explain the strategic success hypothesis. [10marks]
(c) Why are strategic controls considered as steering controls and what are the types of strategic controls applied by organizations. [10marks]
2. (a) To portray alternative corporate growth strategies, Igor Ansoff presented the product-market model. With the aid of a diagram, explain the growth strategies available to organizations. [10marks]
(b) After strategic evaluation, strategists must choose the options to follow. More often than not their choices are driven by other considerations and not just the rational ratings. Discuss five behavioural considerations in strategic choice. [10marks]
3. (a) Define the internal environment and explain how you would carry out an internal environment analysis using a functional approach and state when you would apply this approach. [10marks]

- (b) Distinguish the terms strategy operationalization and strategy institutionalization and explain any six ways in which policies help to operationalize strategies. [10marks]
4. (a) One of the most commonly used approach in business portfolio analysis is the BCG matrix. Explain this matrix showing the strategic options for managers under this approach. [10marks]
- (b) Explain any five characteristics of good strategic objectives indicating how managers can ensure them. [10marks]
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