

CHUKA



UNIVERSITY

**UNIVERSITY EXAMINATIONS**

**EXAMINATION FOR THE AWARD OF DIPLOMA IN TOURISM AND HOSPITALITY  
MANAGEMENT**

**DTHM 0243: TOURISM INTERNAL AND EXTERNAL ENVIRONMENT**

**STREAMS: DTHM (Y2S2)**

**TIME: 2 HOURS**

**DAY/DATE: TUESDAY 05/12/2017**

**11.30 A.M. – 1.30 P.M.**

**INSTRUCTIONS:**

- Answer all questions in section A and any TWO in section B
- Do not write on the question paper

**SECTION A: 30 MARKS (COMPULSORY)**

1. Define the following terminologies
  - (a) Strategic management [1 mark]
  - (b) Business environment [1 mark]
2. Briefly discuss FIVE aims of business environments analysis. [5 marks]
3. State four characteristics of organizational objectives. [4 marks]
4. Briefly explain FIVE basic strategies that managers use to cope with political/legal challenges in the tourism industry. [5 marks]
5. Briefly discuss the THREE levels of management in a tourism organization. [6 marks]
6. Highlight the importance of a company mission. [5 marks]
7. Briefly discuss THREE major grand strategies of an organization. [3 marks]

**SECTION B: (40 MARKS)**

8. The state of competition in an industry depends on five basic forces. Discuss this statement with reference to Porter's model. [20 marks]

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9. Discuss how tourism organization directly deal with the following external actors in decision making. [20 marks]
- (i) Regulators
  - (ii) Labour unions
  - (iii) Suppliers
  - (iv) Customers
  - (v) Competitors
10. (a) With an aid of a diagram discuss the produce life cycle model.[10 marks]
- (b) Discuss the general elements in the external environment that can potentially influence strategic decisions in a tourism organization. [10 marks]
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