KENYATTA UNIVERSITY

UNIVERSITY EXAMINATIONS 2017/2018

FIRST SEMESTER EXAMINATION FOR THE DEGREE OF MASTER OF BUSINESS ADMINISTRATION

BBA 860: BUSINESS STRATEGIC BEHAVIOUR AND LEADERSHIP

DATE: THURSDAY 8TH FEBRUARY 2018 **TIME: 5.30 P.M - 8.30 P.M.**

INSTRUCTIONS:

Answer questions ONE (1) and any other THREE (3) questions.

SECTION A: CASE STUDY - COMPULSORY

QUESTION ONE:

For a generation or more, City Group of Companies (CGC) has offered a haven of rest, recreation and unmatched shopping experience to discerning holidaymakers. Under the able ownership of Hamisi Shauri, the business had developed a reputation for quality products, good food and high class shopping facilities. The sudden death tow years ago of Mr. Shauri has threatened the future of the Business. Management of the business is now in the hands of Anna Shauri, the twenty-six year old eldest child of Mr. Shauri. At the time of the death of her father, Anna was an assistant manager in a Nairobi hotel, having earlier completed a two-year diploma in Hotel management.

Having gotten over the shock of her father's sudden death, Anna began early last year to examine the workings of CGC. She was upset to notice that trade has not expanded in the last two (2) year and profits have actually declined. Anna is disturbed by the results of this review. it is clear to her that the CGC is surviving on reputation.

Anna has therefore decided to seek professional advice from a consulting firm on what is needed. She is considering whether to sign a contract with a US based multinational company; but the deal would mean relinquishing control over one of the profitable segments of the company. Anna is however seeking a growth strategy that fits best with her goal: to have the largest impact on the planet while remaining profitable.

KENYATTA UNIVERSITY

UNIVERSITY EXAMINATIONS 2017/2018

FIRST SEMESTER EXAMINATION FOR THE DEGREE OF MASTER OF BUSINESS ADMINISTRATION

BBA 860: BUSINESS STRATEGIC BEHAVIOUR AND LEADERSHIP

DATE: THURSDAY 8TH FEBRUARY 2018 **TIME: 5.30 P.M - 8.30 P.M.**

INSTRUCTIONS:

Answer questions ONE (1) and any other THREE (3) questions.

SECTION A: CASE STUDY - COMPULSORY

QUESTION ONE:

For a generation or more, City Group of Companies (CGC) has offered a haven of rest, recreation and unmatched shopping experience to discerning holidaymakers. Under the able ownership of Hamisi Shauri, the business had developed a reputation for quality products, good food and high class shopping facilities. The sudden death tow years ago of Mr. Shauri has threatened the future of the Business. Management of the business is now in the hands of Anna Shauri, the twenty-six year old eldest child of Mr. Shauri. At the time of the death of her father, Anna was an assistant manager in a Nairobi hotel, having earlier completed a two-year diploma in Hotel management.

Having gotten over the shock of her father's sudden death, Anna began early last year to examine the workings of CGC. She was upset to notice that trade has not expanded in the last two (2) year and profits have actually declined. Anna is disturbed by the results of this review. it is clear to her that the CGC is surviving on reputation.

Anna has therefore decided to seek professional advice from a consulting firm on what is needed. She is considering whether to sign a contract with a US based multinational company; but the deal would mean relinquishing control over one of the profitable segments of the company. Anna is however seeking a growth strategy that fits best with her goal: to have the largest impact on the planet while remaining profitable.

Anna is also thinking about the possibility of securing financing to enable the business to expand operations to three (3) major towns in East Africa, as the company adjusts to new requirements from the government regulating agencies, including competition from other new entrants into the market. With planned introduction of newer technology, Anna seeks to drive sustainability and future profits. The question is: will it work?

Required:

(a) With reference to City Group of Companies, explain to Anna, Ansoff's product growth strategies that she can use to grow the business. (10 marks)

(b) Using suitable examples, briefly explain a criteria that Anna can use to set strategic objectives for her management team for the year 2018, and thus ensure that the set expectations are clear, fair and consistent. (10 marks)

(c) Conduct an ETOP analysis for City Group of Companies and identify the main issues which need to be addressed in order to formulate a viable strategy to enhance the company's performance. (10 marks)

SECTION TWO: ATTEMPT ANY THREE (3) QUESTIONS.

QUESTION TWO:

Strategic assessment may be defined as a judgment of the current position of an enterprise in relation to the strategic context and its ability to realize its strategic intent.

Required:

With reference to an organization you are familiar with, identify and explain any ten (10) major factors in an organization's strategic context, in terms of how they influence the attainment of an organization's strategic intent. (10 marks)

QUESTION THREE:

A corporate strategy results from a detailed strategic planning process.

Required:

Using relevant examples, discuss five (5) major steps in a strategic planning process, including challenges in each step, and how to overcome the identified challenges. (10 marks)

QUESTION FOUR:

Strategic orientation is usually explained in relation to growth dynamics; positive, negative or static.

Required:

(a) Define strategic orientation. (1 mark)

(b) Using relevant examples, discuss in detail three (3) major strategic orientations, including challenges for each orientation and how to overcome such challenges. (9 marks)

QUESTION FIVE:

An organization's life cycle deals with the organic objectives of an organization and it emphasizes that a company has its own life from infancy to maturity, including death, decline or re-engineering. (10 marks)

Required:

With the aid of a diagram, enumerate the major characteristics in each of the five (5) major phases, and explain how an organization life cycle can be used as a tool for business strategic choice. (10 marks)

****