KENYATTA UNIVERSITY

UNIVERSITY EXAMINATIONS 2016/2017

SECOND SEMESTER EXAMINATION FOR THE DEGREE OF DOCTOR OF PHILOSOPHY

BBA 926: THEORETICAL FOUNDATIONS OF STRATEGIC MANAGEMENT

DATE: Thursday, 11th May, 2017 TIME: 5.30 p.m. - 8.30 p.m.

INSTRUCTIONS:

Answer any **FOUR** questions.

1. a) Discuss the concept of sustainable competitive advantage clearly indicating how such advantage may be developed in organizations. (10 marks)

   b) "When strategic planning arrived on the scene in the mid-1960s, corporate leaders embraced it as "the one best way" to devise and implement strategies that would enhance the competitiveness of each business unit." While certainly not dead, strategic planning has long fallen from its pedestal".

   Comment on this statement clearly bringing out the fallacies of strategic planning as advanced by Henry Mintzberg in his article entitled "The Fall and Rise of Strategic Planning". (15 marks)

2. With reference to the articles written by Jemison (1981), Biggadiko (1981) and Michael Porter (1981), discuss the contributions of Administrative behavior, Marketing and Industrial organization to the development of Strategic Management. Relate the contributions of these disciplines to the Strategic Management Process. (25 marks)

3. The fundamental thesis of Resource Based theory is that "resources are both significantly heterogeneous across firms and imperfectly mobile". Discuss this statement clearly bringing out the major arguments advanced by the Resource Based theory and Industry Based theory. (25 marks)

4. Discuss using examples the concepts of strategy institutionalization and strategy operationalization as applied in Strategy Implementation phase of the Strategic Management Process. (25 marks)

5. a) Discuss the link between Top Management Team demographic diversity and Strategic Consensus. (15 marks)

   b) Using an organization of your own choice, discuss the LIEDTKA Model of the elements of strategic thinking. (10 marks)

6. a) Discuss the historical developments of Strategic Management to date. (15 marks)

   b) It has often been stated that the use of financial performance results on its own is often a misleading indicator of a company's performance. Explain this assertion and indicate how the performance of an organization may be measured. (10 marks)