KENYATTA UNIVERSITY

UNIVERSITY EXAMINATIONS 2018/2019

SECOND SEMESTER EXAMINATION FOR THE DEGREE OF MASTER OF BUSINESS ADMINISTRATION

BBA 860: BUSINESS STRATEGIC BEHAVIOUR AND LEADERSHIP

DATE: Friday, 5th April 2019 **TIME: 2.00pm - 5.00pm**

INSTRUCTIONS:

- **Answer question ONE and any other THREE questions.**
- **Use case study to answer Question One**

1. Read the following case and answer the questions at the end.

   Money Trappers Limited is a money lending business formed in 2000 and operating under duo-perspective of "shylocks" perspective and SACCO perspective. Dr. Markin Shah is the owner-manager of this business. The business is run by 4 managers who are all his relatives. The managers are however divided as to the importance of effective strategic planning for this business. Two managers insist there has to be strategic plans and the other two insist its a waste of time and resources to be involved with the whole cycle of strategic management process. Since 2010, there has been a silent resentment amongst the managers and it has trickled down to the 100 employees - 80% of whom are casual workers. In 2015, it was discovered that this business is not officially registered as a shylock hence it has been operating illegally. Apparently the shylock side of the business has been performing very well. At present, the business operates in Nairobi and Nakuru. The company could have opened branches in Mombasa and Kisumu but the managers have not made the move yet. They have not done effective contextual analysis and they do not have the resources to do so. In the meantime, competition in the shylock business has increased and the market share of Money Trappers Ltd. has declined. Dr. Shah has approached you to advice on strategic behaviour of his business. Respond to the following:-

a) Highlight the major strategic issues that are of concern to you as a manager. (10 marks)

b) Discuss any strategic options that this company can formulate and implement so as to follow a unique strategic path. (10 marks)

c) What are the major environmental forces that may have affected this company from the year 2000. (10 marks)

2. Differentiate the following terms as used in strategic behaviours; (10 marks)
   a. Strategic alliances vs joint ventures
   b. Planned strategic behaviour vs implied strategic behaviour.

3. Using an organization of your choice, explain Greiner's strategic path for that business. (10 marks)

4. (a) As a strategist, discuss the major external environmental trends that are likely to enhance the performance of Kenya as a preferred investment destination. (5 marks)

   (b) Highlight and briefly explain the challenges you need to overcome to undertake an effective evaluation of strategic behaviour. (5 marks)

5. (a) Explain the role played by effective corporate governance in the strategic behaviour management. (5 marks)

   (b) Using BCG matrix, explain how you can predict the strategic behaviour of an organization. (5 marks)