



MURANG'A UNIVERSITY OF TECHNOLOGY

SCHOOL OF BUSINESS AND ECONOMICS

DEPARTMENT OF COMMERCE

UNIVERSITY POSTGRADUATE EXAMINATION

2017/2018 ACADEMIC YEAR

**FIRST YEAR SECOND SEMESTER EXAMINATION FOR DOCTOR OF
PHILOSOPHY IN BUSINESS ADMINISTRATION**

BCSM 713: STRATEGIC MANAGEMENT

DURATION: 3 HOURS

DATE: 16TH AUGUST, 2018

TIME: 2.00 – 5.00 P.M.

Instructions to Candidates:

1. Answer **Any Four** questions.
2. Mobile phones are not allowed in the examination room.
3. You are not allowed to write on this examination question paper.

QUESTION ONE (25 marks)

- a) Explain the central objective of strategic management (5 marks)
- b) Discuss why a company depends on three broad factors namely:-
 - i. The industry in which it is based (4 marks)
 - ii. The country or countries in which it is located (2 marks)
 - iii. His own resources, capabilities and strategies (2 marks)
- c) Why does strategic planning often fail? (2 marks)
- d) Discuss the following key characteristics of effective strategic leaders
 - i. Vision (2 marks)
 - ii. Consistency (2 marks)
 - iii. Commitment (2 marks)
 - iv. Being well informed, willingness to delegate and mentoring (2 marks)
 - v. Political astuteness (2 marks)

QUESTION TWO (25 marks)

Functional managers are individuals who bear responsibility for a particular business function although they are not in a position to see the big picture; they do have a number of important strategic responsibilities. Explain (25 marks)

QUESTION THREE (25 marks)

General managers are individuals who bear responsibility for the overall performance of the whole organization or for its major self contained divisions (SBU's). their overriding strategic concern is for the health of the total organization under their direction. Discuss (25 marks)

QUESTION FOUR (25 marks)

Techniques for enhancing the effectiveness of strategic decision making include “devil’s advocacy and dialect” inquiry. Explain the statement (25 marks)

QUESTION FIVE (25 marks)

Case study, Analysis and Decision Making – Read the attached case study and answer the following questions

- a) Evaluate critically the logic underlying Daimler-Benz's diversification strategy. How might this strategy add value to Daimler-Benz's established automobile business?
 - b) Identify ways in which Daimler-Benz's diversification strategy might have destroyed rather than created value.
 - c) Do you think that Daimler-Benz needed to diversify in order to gain access to leading-edge technological know-how? What other approach than diversification might the company have used?
- (25 marks)