



STRATHMORE UNIVERSITY

Strathmore Business School

Master of Business Administration

END OF SEMESTER EXAMINATION

MBA 8107: STRATEGIC MANAGEMENT

Date: Saturday 11th August 2012

Time: 3 hours

Instructions:

Answer Question ONE and any other TWO questions.

Question One (30 marks)

Managers suffer most particularly from Information overload especially when it comes to making strategic choices. This has prompted different consulting groups such as Bolton Consulting Group (BCG) to come up with frameworks that simplify information hence minimize errors in decision-making. The categorization of a company's products/services/SBUs basically falls into the Growth Share Matrix (GSM) designed by BCG.

- a) Discuss the content of Boston Consulting Group calorically giving examples of the Business units of a company of choice that falls in the matrix. **(20 marks)**
- b) With supporting reasons, explain the strategic choices you would take on the SBUs of the organization you have chosen based on BCG matrix. **(10 marks)**

Question Two (20 marks)

Corporate Social Responsibility (CSR) has remained in the periphery of most corporations' strategy. In fact many organizations don't believe in the interdependence between Business and Society. However, some firms such as Nestlé and even Shell have suffered by ignoring their social responsibility. In that regard, there is a growing need to factor in CSR in corporate Strategy in order to balance required social Value and economic value created. Michael Porter proposed shared value creation while Edward Freeman proposed Enterprise Strategy.

- a) What is the difference between Porter's (integrative) strategy of "shared value creation" and Freeman's (integrated) "enterprise strategy"? **(10 Marks)**

- b) Since doing business at the Bases of the Pyramid requires a complete paradigm-shift, state and explain FIVE strategic issues that you must take into consideration when launching a product for this market? **(10 marks)**

Question Three (20 marks)

Strategic management can be done at three levels in an organization giving birth to three levels of strategy.

- a) State the three levels of strategy and discuss the important question in each level. **(15 marks)**
- b) Since strategy must be communicated seamlessly in all the levels of strategy, state and explain briefly FIVE strategies or avenues for effective strategy communication that would benefit your organization or an organization of choice. **(5 marks)**

Question Four (20 marks)

Stakeholder management is becoming crucial both in the formulation of a firm's strategy and also during implementation. Take global examples of cases like that of "Shell of a mess" to local examples like the NHIF case, one realizes that proper stakeholder management could have minimized the impact the challenges these organizations faced. However, most of the existent stakeholder frameworks are either too complicated (the network model) or too simplistic (agency model) to render any help to managers during decision time. Nevertheless, there is a framework that is neither too simplistic nor too complex but pragmatic.

Describe and explain, giving examples, the stakeholder typology on power, legitimacy, and urgency. **(20 marks)**

Question Five (20 marks)

- a) Define:
- i. Management Strategy
 - ii. Strategic Change
- (2 marks)**
- b) From an environmental list of macro business opportunities in East Africa suggest 3 opportunities with potential to influence greatly the achievement of Vision 2030. **(2 marks)**
- c) Select one of these opportunities and suggest a set of strategies (limit yourself to 3) to achieve the potential of this opportunity. **(4 marks)**
- d) In the case of each suggested strategy prepare an implementation plan. **(12 marks)**