

TECHNICAL UNIVERSITY OF MOMBASA
SCHOOL OF BUSINESS
DEPARTMENT OF BUSINESS ADMINISTRATION
UNIVERSITY EXAMINATION FOR DIPLOMA
DIPLOMA IN BUSINESS ADMINISTRATION
BMG 2214; STRATEGIC MANAGEMENT
END OF SEMESTER EXAMINATIONS
SERIES: JANUARY/APRIL 2016
TIME: 2 HOURS

INSTRUCTIONS TO CANDIDATES

Answer question **One (COMPULSORY)** and any other **TWO**

QUESTION ONE

- (a) Resistance is not confined to introduction of strategic planning. It occurs whenever there is a departure from historical behavior, culture and power structure. Explain the TWO types of resistance to change (10 marks)
- (b) State the various levels in an organization that a strategy may exist. (10 marks)
- (c) Differentiate between strategic objectives and operational objectives. (10 marks)

QUESTION TWO

- (a) State FIVE qualities of a good strategic objective (5 marks)
- (b) Using a diagram explain Michal Porters concept of sustainable competitive advantage. (15 marks)

QUESTION THREE

- (a) There are many external factors that affect business environment. Elaborate on FOUR economic factors in Kenya and indicate how each one of them has affected strategic decisions in corporate. (10 marks)
- (b) Discuss the following;
 - (i) Joint ventures
 - (ii) Mergers (2 marks)
 - (iii) Strategic alliances (2 marks)
 - (iv) Liquidation (2 marks)
 - (v) “stuck in the middle” (2 marks)

QUESTION FOUR

- (a) Explain strategic implementation process using McKinsey 7’s model (15 marks)
- (b) State the value of strategic management (5 marks)

QUESTION FIVE

- (a) Explain FOUR types of organization structure. (12 marks)
- (b) Differentiate between strategic formulation and strategic implementation (8 marks)