TECHNICAL UNIVERSITY OF MOMBASA

School of Business

DEPARTMENT OF BUSINESS ADMINISTRATION

ORDINARY UNIVERSITY EXAMINATION FOR:

BACHELOR OF BUSINESS ADMINISTRATION

BACHELOR OF COMMERCE

BACHELOR OF BUSINESS AND OFFICE MANAGEMENT

BMG 4400: STRATEGIC MANAGEMENT

SERIES:DECEMBERPickyear2024

TIME:2HOURS

DATE: Pick DateDec2024

Instructions to Candidates
You should have the following for this examination
-Answer Booklet, examination pass and student ID
This paper consists of five questions. Attemptquestion ONE (Compulsory) and any other TWO questions.
Do not write on the question paper.

Question ONE (Compulsory)

Read the following case study and respond to the questions below:

"Innovation and Business Strategy Key to Achieving Financial Inclusion Goals for Kenyan Telcos"
Experts emphasize the importance of policy and regulatory measures to enhance interoperability, which has become a priority for telcos in Kenya. Interoperability enables open sharing of resources across different systems, allowing information and resources to be exchanged seamlessly. Efforts are underway to encourage Kenyan telcos to make their mobile money platforms interoperable, and recently, telcos have started negotiating commercial agreements to support this. However, concerns remain over whether these regulations will truly benefit consumers.

From a strategic perspective, consumers expect companies to deliver innovative, competitive business strategies that ensure freedom of choice in a free market, unrestricted by regulation. Innovation and robust business strategies are essential for future growth in the mobile industry. For example, Equitel has demonstrated success with its strategy, offering its customers appealing alternatives in a market where competitors were reluctant to take similar risks.

Reliance on regulation to manage competition, some argue, would be like distributing equal marks to students in the same class without considering individual efforts—an inherently unfair approach.

Required:

a) In your opinion, do you believe that stringent government policy and regulatory interventions benefit the growth of the telecom industry in Kenya? Justify your answer. (5 marks)

b) Describe the competing corporate strategies telecom firms can leverage to gain a competitive edge. (5 marks)

c) Apart from regulation, discuss additional external factors that impact strategy implementation for Kenyan telecom firms. (5 marks)

d) As an expert in corporate strategy, suggest key drivers that would promote effective strategy implementation for Kenyan telecom firms. (5 marks)

e) Explain the differences between horizontal and vertical integration, outlining the forms these strategies can take and why managers might choose to pursue them. (10 marks)

Question TWO

a) Your county governor has been advised that strategic management would greatly benefit the county, yet he believes it only applies to the private sector. Provide practical examples to demonstrate how strategic management could benefit your county. (8 marks)

b) Environmental analysis is seen as a critical part of strategic management. Explain the main tools managers use for environmental analysis in strategic management. (12 marks)

Question THREE

a) Show how Porter's Five Forces model can be used to analyze an industry for effective strategy development. (10 marks)

b) Outline the essential components of a sound strategy. (10 marks)

Question FOUR

Strategic planning involves a structured, long-term process that addresses various factors affecting an organization's future.

a) Explain the fundamental approaches managers commonly use when conducting environmental analysis. (10 marks)

b) Guide a client through the strategic management process as a strategic management consultant. (10 marks)

Question FIVE

a) Define the concept of strategy hierarchy. (5 marks)

b) Describe the levels of involvement in strategic management and the roles of staff at each level. (15 marks)