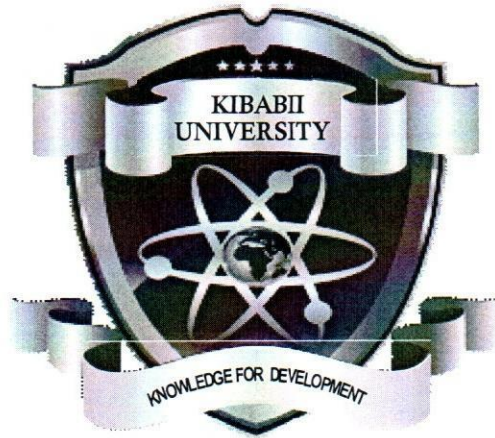


KIBABII UNIVERSITY



**UNIVERSITY EXAMINATIONS
SPECIAL/SUPPLEMENTARY EXAMINATION
2020/2021 ACADEMIC YEAR
FIRST YEAR SECOND SEMESTER
FOR THE DEGREE OF MASTER OF BUSINESS
ADMINISTRATION**

COURSE CODE: MBA 811

COURSE TITLE: STRATEGIC MANAGEMENT

DATE: 10/01/2022

TIME: 11.00AM – 2.00PM

INSTRUCTIONS TO CANDIDATES

Question ONE (1) is compulsory and carries 40 Marks.

Answer THREE (3) questions

TIME: 3 Hours

QUESTION ONE

Read the case study below and answer questions that follow.

Healthy Foods Ltd. evolved from a local supermarket for natural and health foods in the Kenya into one of the largest retail grocery chains specialising in organic foods and aims at the higher end of the retail grocery market. It carries a broad product range which includes bread, fish, vegetables, wines and cheeses and wishes to make the shopping experience for consumer one of pleasure, with its décor and store layout. It currently has 100 retail stores in the Kenya.

Its main Kenya manufacturing operation is based in north of England from where it distributes its products throughout the Kenya. The top management is now considering whether they should pursue a strategy of growth and enter into the Retail Grocery market in Kenya where they believe there will be a good market for their products, as consumers are becoming more health conscious.

- a) You have been given a task by your manager the Corporate Planning Executive, to undertake an analysis of the Retail Grocery industry in Kenya. Justify why the company should pursue a strategy of growth and enter into the Irish Retail Grocery market **(5 Marks)**
- b) Select two appropriate environmental assessment models and indicate, using examples, how these might be applied in the process of developing a competitive strategy? **(10 Marks)**
- c) Outline which of Porter's generic strategies that Healthy Foods Ltd. is pursuing and comment on its relevance **(5 marks)**

QUESTION TWO

- a) Evaluate the **FIVE strategies** that an organisation must pursue in order to survive in a turbulent high velocity market, giving examples to support your answer **(10 marks)**
- b) "Establishing the correct organisational structures and systems are major issues that managers must deal with when implementing a new strategy" (Thompson and Strickland, 2010). Evaluate this statement giving examples from organisations that you are familiar with **(10 marks)**.

QUESTION THREE

You have been appointed as Training and Development Manager of a highly competitive company which operates in South Africa. The Board of Directors decided that you train employees on the **reasons for globalization**. Explain the Five keys points contained in your speech **(10 marks)**.

(b) As a Human Resource Management Consultant you have been invited by the Manager of Nakumatt Supermarket to give a speech on the **Tows Matrix**. Outline and explain the relevance of the **FIVE key points** that should be contained in your speech **(10 marks)**.

QUESTION FOUR

- i). Porter's Model helps with the structural analysis of the environment. What is the relevance of this model to the Kibabii University Management Board? **(10 marks)**
- ii). Change is inevitable in today's business environment. It is important to understand that most changes will be met with varying degrees of resistance by employees and it is importance for managers to understand the basis for this resistance to change.
 - a. Explain the main reasons for resistance to change by employees to change management programmes giving examples **(7 marks)**.
 - b. Outline three ways in which managers can try to reduce this resistance **(3 marks)**.

QUESTION FIVE

(a) Using illustrations to support your answer, critically evaluate **Five Strategies** that an organisation like Mumias Sugar Company Limited should adopt in order to survive in an emerging industry **(10 marks)**.

(b) In today's competitive environment, it is very important for an organisation to monitor its external environment. Discuss **(10 marks)**.