

KIBABII UNIVERSITY



UNIVERSITY EXAMINATIONS

MAIN EXAMS

2020/2021 ACADEMIC YEAR

SECOND YEAR FIRST SEMESTER

**FOR THE DEGREE OF MASTER IN BUSINESS
ADMINISTRATION**

COURSE CODE: MBA 880

COURSE TITLE: ADVANCED STRATEGIC MANAGEMENT

DATE: 04/08/2021

TIME: 9.00AM-12.00PM

INSTRUCTIONS TO CANDIDATES

- 1) Answer Question **ONE**(Compulsory) and **ANY OTHER THREE** Questions
 - 2) Candidates must hand in their answer booklets to the invigilator while in the examination room
 - 3) Credit is given for legibility, clarity and use of relevant examples
 - 4) Question **ONE** is **40 marks** while Questions **2-5** carry **20 marks** each
 - 5) Clearly write your **Registration Number** on each answer sheet used
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TIME: 3 Hours

KIBU observes **ZERO** tolerance to examination cheating

QUESTION ONE

Read the following case study and answer the questions that follow:

Honda's entry into the US motorcycle market

The Boston Consulting Group lauded Honda for its single-minded pursuit of a global strategy based on exploiting economies of scale and learning to establish unassailable cost leadership. However, subsequent interviews with the Honda managers in charge of US market entry revealed a different story: a haphazard entry with little analysis and no clear plan. Brilliant as its strategy may have looked after the fact, Honda's managers made almost every conceivable mistake until the market finally hit them over the head with the right formula.

- (a) (i) Based on the case above, differentiate between intended, realized and emergent strategy (9mks)
- (ii) As highlighted in the case, rational design is not only an inaccurate account of how strategies are actually formulated, it is also a poor way of making strategy. Expound (8mks)
- (iii) Advise Honda managers on the management tools they can apply in future to ensure operational effectiveness (10mks)
- (b) Which school of strategy formation fits Honda's successful entry into the US motor cycle market? Justify your answer (10mks)
- (c) Explain the role of leadership in the school identified in (b) above (3mks)

QUESTION TWO

- (a) Strategies in business commonly seek the creation of advantage. However, for each strategic advantage achieved, a potential disadvantage should as well be considered. Substantiate (10mks)
- (b) The traditional process perspective on strategic management has been criticized. Advance the criticisms leveled against it (10mks)

QUESTION THREE

- (a) The choice of not having a formal strategy (or strategic management) process is in itself a strategy. Argue out this statement using a relevant example (10mks)
- (b) At the highest level of function and structure, strategies regard broad decisions about the scope, direction and position of the organization in the long-term. Describe types of strategies that can be formulated to support this level (10mks)

QUESTION FOUR

- (a) Not all business decisions are strategic. Discuss (10mks)
- (b) Examine the learning school of strategy formation bringing out its major assumptions and contribution to strategic management theory (10mks)

QUESTION FIVE

Mintzberg argues that organizations orient their strategies according to their particular understanding of what strategy is, and what it is useful for and as such, he has suggested various approaches to strategy. Expound (20mks)