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**KIRIRI WOMEN'S UNIVERSITY OF SCIENCE AND TECHNOLOGY**  
**UNIVERSITY EXAMINATION, 2024/2025 ACADEMIC YEAR**  
**SECOND YEAR, FIRST SEMESTER EXAMINATION**  
**FOR THE BACHELOR OF BUSINESS AND INFORMATION TECHNOLOGY**  
**KBA 2216 – BUSINESS STRATEGIC MANAGEMENT**

Date: 05<sup>TH</sup> December 2024  
Time: 2:30PM – 4:30PM

**INSTRUCTIONS TO CANDIDATES**

**ANSWER QUESTION ONE (COMPULSORY) AND ANY OTHER TWO QUESTIONS**

**QUESTION ONE (30 MARKS)**

**READ THE CASE STUDY BELOW AND ANSWER THE QUESTIONS THAT FOLLOW**  
**HOPAS COMPANY LIMITED**

HOPAS Company Limited was registered and incorporated in 2020 with Mrs. Mwanga as its CEO. The main objective of HOPAS Company was to manufacture and distribute building materials in Kenya. The main office of the company is at Nakuru. The CEO Mrs. Mwanga was not aware of the importance of formulating the fundamental philosophical statements such as vision, mission, objectives and core values which would give the company organizational direction. As a result the work force of HOPAS Company Limited had no clue of where the company was headed. Mrs. Mwanga did not offer the company any strategic leadership. This led to serious concerns regarding the company performance.

Indeed for the three years from 2020 to 2022 the company made significant losses consecutively. By the beginning of January 2023 the board of directors convened a meeting from all corporate, business and functional level managers to brain storm strategies which can be put in place to ensure survival of the company in the long run. The report of brainstorming sessions from all the managers of the three strategy levels recommended the following : (1) Develop the company fundamental philosophical statement such as vision, mission, core values, objectives and service charter. (2) Conduct environmental scanning of the operating environment as a matter of priority. (3) Formulate and implement growth strategies as a well as Michael Porter generic strategies. (4) Conduct value chain analysis. The board of directors have given Mrs. Mwanga four months to change the company's negative trend in regard to performance to positive trend.

Required;

- a) Advise Mrs. Mwanga on the benefit of developing vision statement for HOPAS Company Limited. (6 Marks)
- b) Examine the importance of conducting environmental scanning as recommended in the report of the three level strategy managers. (6 Marks)
- c) Discuss the circumstances of implementing growth strategies as recommended in the report of the three level strategy managers. (6 Marks)
- d) Explain the primary activities that may be put in place after conducting value chain analysis to improve competitive advantage of HOPAS company. (6 Marks)
- e) Discuss the Michael Porter generic strategies as seen in the report of the three level strategy managers. (6 Marks)

**QUESTION TWO (20 MARKS)**

- a) Discuss the logical steps of strategic management process. (8 Marks)
- b) Explain the characteristics of good organizational objectives. (6 Marks)
- c) Describe the three levels of strategy and functions of managers in each strategy level. (6 Marks)

**QUESTION THREE (20 MARKS)**

- a) Discuss the consequences of setting poor strategic controls in an organization. (8 Marks)
- b) Discuss the benefits of using PESTEL framework as a tool of environmental assessment. (5 Marks)
- c) Explain the nature of strategic decisions in an organization. (7 Marks)

**QUESTION FOUR (20 MARKS)**

- a) Analyze the basic skills which managers must possess for successful strategy implementation irrespective of the size of the organization. (8 Marks)
- b) “Standards are yardsticks that indicates acceptable levels of organizational performance during strategy implementation” Examine any Six such standards against which organization performance is evaluated. (6 Marks)
- c) Explain the criticisms leveled against SWOT Analysis. (6 Marks)

**QUESTION FIVE (20 MARKS)**

- a) Using an organization of your choice discuss the five different perspectives of strategy as put forward by Mintzberg, Ahlstrand and Lampell (2005). (5 Marks)
- b) Examine the critical areas which strategic management comprises of. (8 Marks)
- c) “To engage in international business management is to perform management activities across national boundaries.” Evaluate the merits of carrying out international business as a strategy of international operations. (7 Marks)