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KIRIRI WOMENS' UNIVERSITY OF SCIENCE AND TECHNOLOGY
UNIVERSITY EXAMINATION, 2022/2023 ACADEMIC YEAR
FOURTH YEAR, FIRST SEMESTER EXAMINATION
FOR THE DEGREE OF BACHELOR OF SCIENCE
(BUSINESS ADMINISTRATION)

Date: 19th April, 2022
Time: 2.30 – 4.30pm

KBA 002 - STRATEGIC MANAGEMENT

INSTRUCTIONS TO CANDIDATES

ANSWER QUESTION ONE (COMPULSORY) AND ANY OTHER TWO QUESTIONS

QUESTION ONE (30 MARKS)

CASE STUDY

KILIMILI COMPANY LIMITED STRATEGIC DIRECTION CASE STUDY

Kilimili Company limited is a well-established business that deals with manufacturing different types of flour. It has been operating as a family business for close to ten years. However recently, it announced plans to invite the public to buy shares and become shareholders of the company. This was in a bid to raise money to diversify their product portfolio as well as increase the portfolio of the existing product. Due to their good reputation they were able to sell their shares successfully and generate the amount of money they wanted. Many other privately owned companies were inspired by this and some even went ahead to use the same strategy to raise funds for their own growth and development.

- a) Explain the rights of the shareholders who bought the shares sold by Kilimili Company Limited?
(6 Marks)
- b) From the excerpt above explain the characteristics of the following terms:
 - i) Strategy (2 Marks)
 - ii) Shareholder (2 Marks)
 - iii) Product Diversification (2 Marks)
- c) In relation to the case study highlight the two tiers of a company that will be formed once Kilimili Company invites the public to buy shares.
(6 Marks)
- d) List the advantages of Kilimili Company selling its shares to the public.
(6 Marks)
- e) In reference to the case study describe what you understand by the term corporate governance.
(6 Marks)

QUESTION TWO (20 MARKS)

- a) With an aid of a diagram explain the four stages of an industry life cycle. (10 Marks)
- b) Discuss in details the types of strategic alliances. (10 Marks)

QUESTION THREE (20 MARKS)

- a) Evaluate the fundamental principles of corporate governance. (10 Marks)
- b) Examine the characteristics of industry structures in strategic management. (10 Marks)

QUESTION FOUR (20 MARKS)

- a) With an aid of a diagram explain the strategic Management process. (10 Marks)
- b) Demonstrate in details the Macro environmental factors of an organization highlighting their roles. (10 Marks)

QUESTION FIVE (20 MARKS)

- a) Michael Porters five forces model is used by many organizations for corporate strategies. Analyze these five forces in details. (10 Marks)
- b) Explain the attributes used to identify the national environment in strategic management. (10 Marks)