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

Date: 7<sup>TH</sup> AUGUST 2024  
Time: 2:30PM – 4:30PM

**INSTRUCTIONS TO CANDIDATES**

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

**QUESTION ONE (30 MARKS)**

**Read the following case and answer the questions at the end:**

Dr. Patel inherited his father's Dey's Lab in Delhi in 2005. Till 2012, he owned 4 labs in the National Capital Region (NCR). His ambition was to turn it into a National chain. The number increased to 7 in 2013 across the country, including the acquisition of Platinum lab in Mumbai. The number is likely to go to 50 within 2-3 years from 21 at present. Infusion of kes2M for a 26% stake by Pharma Capital has its growth strategy. The lab with a revenue of kes6M is among top three Pathological labs in India with Atlantic (Kes7M) and Pacific (kes5M). Yet its market share is only 2% of kes10B market. The top 3 firms command only 6% as against 40-45% by their counterparts in the USA. There are about 2,000 to 1,000 stand alone labs engaged in routine pathological business in India, with no system of mandatory licensing and registration. That is why Dr. Patel has not gone for acquisition or joint ventures. He does not find many existing laboratories meeting quality standards. His six labs have been accredited nationally whereon many large hospitals have not thought of accreditation; The College of American pathologists accreditation of Dey's lab would help it to reach clients outside India. In Dey's Lab, the bio-chemistry and blood testing equipments are sanitised every day. The bar coding and automated registration of patients do not allow any identity mix-ups. Even routine tests are conducted with highly sophisticated systems. Technical expertise enables them to carry out 1650 variety of tests. Same day reports are available for samples reaching by 3 p.m. and by 7 a.m. next day for samples from 500 collection centres located across the country. Their technicians work round the clock, unlike competitors. Home services for collection and reporting is also available. There is a huge unutilised capacity. Now it is trying to top other segments. 20% of its total business comes through its main laboratory which acts as a reference lab for many leading hospitals. New mega labs are being built to Encash preclinical and multi-centre clinical trials within India and provide postgraduate training to the pathologists. Dr. Patel intends to hire a new management team to assist in the case analysis based on the prevailing circumstances.

- What vision did Dr. Patel have at the time of inheritance of Dey's Lab? Has it been achieved? (4 Marks)
- Assume you have been hired by Dr. Patel as the General Manager to assist in driving his vision and to be part of the key decision-making process, explain 4 roles you would play as a manager to ensure success of the Company (4 Marks)
- For growth what business strategy has been adopted by Dr. Patel? (4 Marks)
- What is the difference between 'Vision' and 'Mission'? (4 Marks)
- What is the marketing strategy of Dr. Patel to overtake its competitors? (3 Marks)
- In your opinion what could be the biggest weakness in Dr. Patel's business strategy? (3 Marks)
- Highlight the main strengths possessed by the company (4 Marks)

- h) If you had a company competing with Dr. Patel's company what are some of the competitive strategies you would use to overtake Dr. Patel's Pharmacy **(4 Marks)**

### **QUESTION TWO (20 MARKS)**

- a) The Boston Consulting Group (BCG) tool matrix is one of the tools used in the product portfolio analysis.
- i) What do you understand by product portfolio analysis? **(2 Marks)**
  - ii) Clearly illustrate with a well labelled diagram the analogy of the BCG matrix. **(3 Marks)**
  - iii) Use a company of choice to explain the various sectors/components of BCG tool. **(6 Marks)**
- b) Discuss the purpose of strategy evaluation and control **(5 Marks)**
- c) Explain the importance of a mission statement to an organization **(4 Marks)**

### **QUESTION THREE (20 MARKS)**

- a) With the help of a well labelled diagram, explain the five generic competitive strategies as highlighted by Michael Porter. **(10 Marks)**
- b) Discuss five reasons why organizations should adopt strategic planning and management. **(5 Marks)**
- c) Explain the components of the value chain analysis **(5 Marks)**

### **QUESTION FOUR (20 MARKS)**

- a) Discuss the stages of strategic implementation in an organization **(8 Marks)**
- b) Describe the strategy formulation constraints that a manager should be aware of when formulating strategies **(6 Marks)**
- c) Explain the various factors considered in macro-environmental analysis **(6 Marks)**

### **QUESTION FIVE (20 MARKS)**

- a) Benchmarking is a continuous process of measuring products, services and processes against those of industry leaders and tough competitors. Outline 4 reasons for benchmarking. **(4 Marks)**
- b) With relevant examples, differentiate between Internal and external benchmarking **(4 Marks)**
- c) Analyze the process of strategy control **(5 Marks)**
- d) Use Safaricom Limited company to describe the elements of the SWOT framework as a way of guiding the analysis of a firm and provide relevant examples in relation to the said company. **(7 Marks)**