



GARISSA UNIVERSITY

UNIVERSITY EXAMINATION **2017/2018** ACADEMIC YEAR **FOUR**
FIRST SEMESTER EXAMINATION

SCHOOL OF BUSINESS AND ECONOMICS

FOR THE DEGREE OF BACHELOR OF BUSINESS MANAGEMENT

COURSE CODE: BBM 472

COURSE TITLE: BUSINESS POLICY AND STRATEGY

EXAMINATION DURATION: 3 HOURS

DATE: 11/12/17

TIME: 09.00-12.00 PM

INSTRUCTION TO CANDIDATES

- The examination has **SIX (6)** questions
- Question **ONE (1)** is **COMPULSORY**
- Choose any other **THREE (3)** questions from the remaining **FIVE (5)** questions
- Use sketch diagrams to illustrate your answer whenever necessary
- Do not carry mobile phones or any other written materials in examination room
- Do not write on this paper

This paper consists of **TWO (2)** printed pages

please turn over



QUESTION ONE (COMPULSORY)

- a) Critically examine five components of an effective recruitment policy. **[5 marks]**
- b) Explain the following concepts as used in strategic management by focusing on the main features of each variable: **[10 marks]**
 - i. strategy
 - ii. policy
 - iii. mission
 - iv. vision
 - v. goal
- c) Organizations have policies that guide their day to day operations. In relation to this, analyze the processes of formulating policies. **[5 marks]**
- d) Corporate plans focus on long term objectives of a business entity. Critically examine the components of a corporate plan. **[5 marks]**

QUESTION TWO

- a) Outline three main features of a strategy. **[3 marks]**
- b) Many scholars have done studies and reached a consensus on strategic management. From these studies, explain the main elements of strategic management. **[12 marks]**

QUESTION THREE

- a) Explain five dimensions of an effective vision statement. **[5 marks]**
- b) Critically analyze five legal factors that should be considered when scanning business environment in order to gain a competitive advantage. **[10 marks]**

QUESTION FOUR

- a) Define the term organization structure and show how it influences organization activities **[3 marks]**
- b) “SWOT analysis is the most renowned tool for audit and analysis of the overall strategic position of the business and its environment”. Discuss. **[10 marks]**

QUESTION FIVE

- a) Outline the main steps involved in the process of strategy formulation. **[5 marks]**
- b) XYZ is a new company operating in Kenya. The company has not been able to control a large market share due to severe competition in the region. The company seems to have good strategies but has not been properly implemented. Explain what could have led to ineffective implementation of the company’s strategies. **[10 marks]**

QUESTION SIX

- (a) Explain three main categories of business stakeholders. **[3 marks]**
- (b) Ethical behavior and corporate social responsibility can bring significant benefits to a business. Discuss. **[12 marks]**

