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**GARISSA UNIVERSITY**

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

**THIRD 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: 06/08/18 TIME: 09.00-12.00 PM**

**INSTRUCTION TO CANDIDATES**

* **The examination has FIVE (5) questions**
* **Question ONE (1) is COMPULSORY**
* **Choose any other THREE (3) questions from the remaining FOUR (4) 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 FOUR (4) printed pages *please turn over***

**QUESTION ONE (COMPULSORY)**

Read the following case and answer the questions that follow it.

**Mwangaza Company limited**

Mwangaza Company limited is a business firm that deals with retailing services. This company has been in the market for the last decade. From the books of accounts it is evident that Mwangaza Ltd Company has been enjoying a satisfactory market share, although the road towards its success has been thwarted by both internal and external forces. As it is asserted by the management the purpose of this company is to provide quality goods and services to satisfy its customers. The company believes that by conducting its business activities effectively it will remain competitive in the market and eventually meet its dream of being a leader in retailing business in the globally.

How has Mwangaza Ltd Company been able to survive in the market that is characterized by stiff competition? The secret lies in its human resource management. The HRM department has guidelines on recruiting staff based on a competitive interview process. This has enabled the company to hire competent personnel who have taken the firm through turbulent business environment. Vacancies that arise in the company are advertised both internally and externally, by use of modern advanced telecommunication devices. This has promoted fair competition to all members of the public, as part of the company’s corporate social responsibility. Promotions are based on experience, skills and achievement. The HRM department provides career progression to its workers. This has been instrumental in providing opportunities to company employees to update their knowledge and skills. In this dynamic period, the company has been in the forefront in training and developing employees. All these developments in human resources have made the company to remain competitive in the market.

AT all levels of management, the company has embraced technology to ensure that the firm is updated and adaptive on market environment. E-commerce services help the company to provide easy access to the company transactions. The management of Mwangaza has also maintained satisfactory supplier relations. The company’s vendors are paid in time and are involved in ensuring the company upholds good inventory management. Procuring goods and services is not enough without proper storage facilities. The company has numerous warehousing facilities that are well protected and maintained. These facilities are very helpful in providing time and place utilities of the company products. The company’s warehouses are crucial elements in inventory control and management.

The company has had challenges of meeting customer demands during the peak seasons. The company does not have adequate logistic facilities to necessitate fast delivery of goods and services on such occasions. This has occasionally led to poor goodwill from its clients. The existence of mushrooming retail supermarkets have given the company management sleepiness nights. The company is involved in price wars in the market. The management of the company is contemplating of opening up new branches in the rural areas where there is potential market and less competition. However, this dream is affected by high unemployment levels, cultural beliefs as well as high dependency rates in the remote areas. Merging and establishing business collaborations/alliances with other companies are other interventions the management is contemplating to take to make the company competitive.

**Required**

1. Identify the mission and vision of Mwangaza Ltd Company. **[2 marks]**
2. Explain the personnel policies which have been adopted by the company. **[5 marks]**
3. What strategies have been adopted by the management of Mwangaza Ltd. Company to remain competitive in the market **[3 marks]**
4. Conduct a SWOT analysis of Mwangaza Ltd Company. **[15 marks]**

**QUESTION TWO**

1. Identify three components of a business plan.  **[3 marks]**
2. “The process of developing a strategic plan is systematic, rational and iterative”. Justify this statement by focusing on the main components of a strategic planning process. [**12 marks]**

**QUESTION THREE**

1. Highlight five elements of strategic management  **[5 marks]**
2. The success of a business organization depends on how effective and efficient it systematically conducts environmental analysis in the market. Discuss. **[10 marks]**

**QUESTION FOUR**

1. Identify three main classifications of business partners. [**3 marks]**
2. Critically examine the role of business partners and show how each contributes to competitive advantage of a company. [**12 marks]**

**QUESTION FIVE**

1. Identify three types of organization structures. [**3 marks]**
2. Critically analyze how technological changes would influence business operations in the modern market environment that is dominated by competitiveness. [**12 marks]**

**QUESTION SIX**

1. Outline the main features of business ethics. [**3 marks]**
2. Critically evaluate ethical principles that guide the behavior of business executives and show how such behaviors would lead to competitive advantage of an organization [**12 marks]**