



ZIMBABWE EZEKIEL GUTI UNIVERSITY

FACULTY OF LAW, BUSINESS INTELLIGENCE AND ECONOMICS

DEPARTMENT OF ECONOMICS, MARKETING AND ENTREPRENEURSHIP

EXAMINATION PAPER

COURSE CODE : **CBM 401**
COURSE TITLE : **STRATEGIC MANAGEMENT**
DURATION : **3 Hours**
LEVEL : **4.1**
DATE : **12 JUN 2024**

INSTRUCTIONS TO CANDIDATES:

1. No cell phones are allowed in the examination venue
2. Answer **QUESTION ONE (1)** and any other **THREE (3)** questions.
3. Begin each question on a new page.
4. The number of marks for each question or part question is shown in brackets []

QUESTION ONE

April 14, 2022

NDAMU SANDU

International banking group, Standard Chartered PLC, will exit seven markets including Zimbabwe as it redirects its resources within the Africa and Middle East (AME) region to where it has the greatest scale. The exit, which is subject to regulatory approval, will see the bank quitting Zimbabwe, Angola, Cameroon, Gambia, Jordan, Lebanon and Sierra Leone. In Tanzania and Cote d'Ivoire, the consumer, private and business banking will be exited and the focus will turn solely to corporate, commercial and institutional banking.

The group is currently present in 59 markets and serves clients in a further 83. The markets that will be exited generated around 1% of total group 2021 income and a similar proportion of profit before tax, it said.

“As we set out earlier in the year, we are sharpening our focus on the most significant opportunities for growth while also simplifying our business. We remain excited by a number of opportunities we see in the AME region, as illustrated by our new markets, but remain disciplined in our assessment of where we can deliver significantly improved shareholder returns,” Standard Chartered Group CEO, Bill Winters said.

“Collectively, our actions will position the AME franchise for the next phase of growth after a very strong 2021 performance. We are grateful to our colleagues and partners in each of these impacted markets for their hard work and dedication and are committed to supporting them through this transition.”

In Zimbabwe, Standard Chartered has been the oldest bank, having begun operations in 1892.

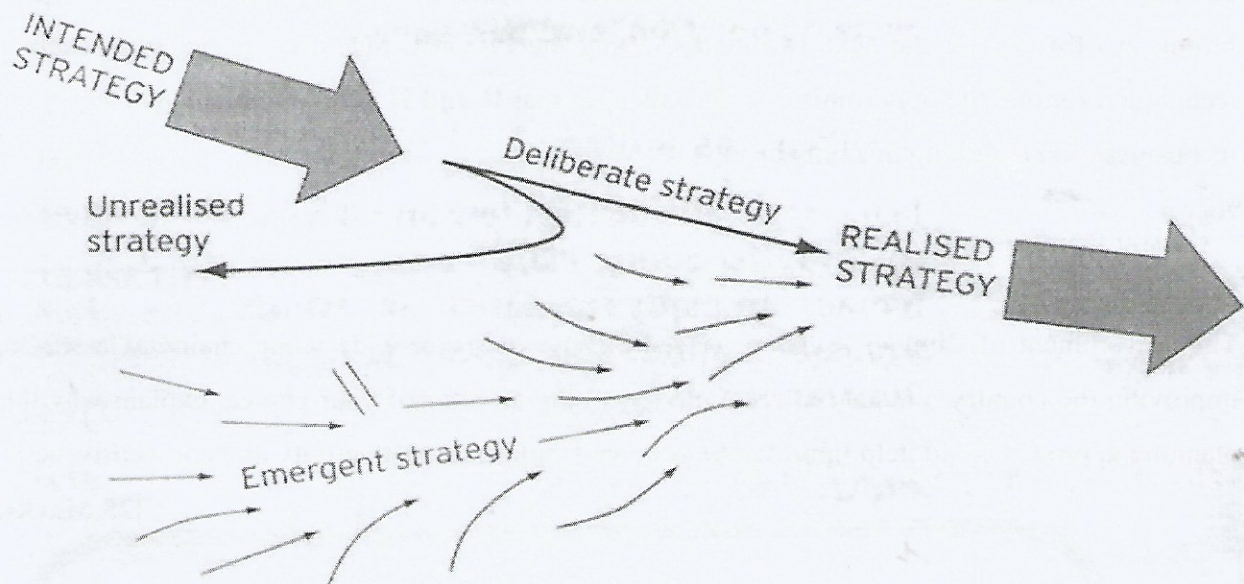
- a) Explain why Standard Chartered PLC is exiting seven markets including Zimbabwe. **[10 marks]**
- b) What other factors may cause an organisation to exit foreign markets? **[5 marks]**
- c) Standard Chartered PLC has decided to invest in the Africa and Middle East (AME) region.

Make recommendations to aid their investment to become a success.

[10 marks]

QUESTION TWO

According to Henry Mintzberg, strategy is seen as a pattern in a stream of actions. It is the aggregate of behaviour that can be consistently observed in an organisation over time as shown below.



Using the diagram and an organisation of your choice, explain the difference between intended, unrealised, deliberate, emergent and realised strategies.

[25 Marks]

QUESTION THREE

(a) Using the Porter's 5-Factor Model, explain how companies within an industry can reduce the effect of strong buyer power and the threat of potential entrants. [10 Marks]

(b) **R and H**, a Chinese mining company has decided to take over the Zimbabwe Iron and Steel Company (ZISCO) in Redcliff, a steel manufacturing company that has been closed due to viability challenges for some years now. **R and H** is reported as being eager to invest some \$1 billion in ZISCO over the next 18 months. Using the PESTEL macro-environmental scanning technique examine the opportunities and challenges that **R and H** could experience in setting up its business and operating in Zimbabwe? [15 Marks]

QUESTION FOUR

The Government of Zimbabwe has proposed the use of sector-wide value chains as a way of improving the country's industrial productivity. Using a sector of your choice, explain why this planning approach could help improve the country's industrial productivity and competitiveness. [25 Marks]

QUESTION FIVE

Explain how an organisation of your choice may use the Balanced Scorecard to transform itself into an efficient entity with a clear vision, capable of implementing its strategy. [25 Marks]

15 | 18 (am)