



ZIMBABWE EZEKIEL

GUTI UNIVERSITY

FACULTY OF BUSINESS, ECONOMICS AND ACCOUNTING

DEPARTMENT OF ECONOMICS AND BUSINESS SCIENCES

EXAMINATION PAPER

COURSE CODE : CBM401
COURSE TITLE : STRATEGIC MANAGEMENT
DURATION : 3 Hours
DATE :

INSTRUCTIONS TO CANDIDATES:

1. No cell phones are allowed in the examination venue.
2. **Section A** is compulsory
3. Answer any **FOUR (3)** questions from **Section B**
4. Begin each question on a new page.
5. The number of marks for each question or part question is shown in brackets []

Section A: Case Study

Afro Manufacturing

The Assistant Managing Director of 'Afro Manufacturing' discusses the structure of the Company with the Managing Director. 'What's wrong with the present organisation?' the MD asks. 'It has developed over many years, everybody understands it, they know where they are, who they have to report to and it seems to work.' 'I am not suggesting that we have to change it,' the AMD replies, 'it is just that as part of the Strategy Report you asked me to produce I am looking at all our methods and systems to see if they can be improved.' 'If it works, why change it?' 'Well, there is the question of communication up and down the Company and across functions and divisions. For example there is very little cross-over between the five Divisions. Even though the DPMs meet every so often, not much action arises from these meetings except to pass on grumbles to us.' 'Well what action do you expect?' the MD queries, 'we set them up as separate business units, as cost and profit centres, so what do you expect?' 'Some of the components of different products are in fact the same, yet they are produced separately by each Division or ordered by each Division in some cases from different suppliers. We could gain economies of scale ...'

Question 1

- a) Explain the **three** strategic levels that should be considered by Afro Manufacturing in building and effective structure. [9 marks]
- b) Explain the importance of an organisational structure in the strategic management of Afro Manufacturing. [8 marks]
- c) Highlight any **four** critical issues that should be considered by the MD of Afro Manufacturing when making a strategic report. [8 marks]

[Total 25 marks]

SECTION B: Answer any (3) questions

Question 2

Evaluate the importance of Porter's Value Chain Analysis in strategic management of an organisation operating in a highly competitive environment.

[Total 25 marks]

Question 3

Provide a detailed SWOT Analysis for a retail business that is operating in Zimbabwe.

[Total 25 marks]

Question 4

Explain the main stages of strategic management giving examples of how each stage is achieved.

[Total 25 marks]

Question 5

Explain the concept of Strategic Leadership looking at any **five** traits of a Strategic Leaders.

[Total 25 marks]