

**W1-2-60-1-6**

**JOMO KENYATTA UNIVERSITY**

**OF**

**AGRICULTURE AND TECHNOLOGY**

**UNIVERSITY EXAMINATIONS 2014/2015**

EXAMINATION FOR THE DEGREEE OF MASTER OF BUSINESS ADMINISTRATION

**HCBA 3221: SYSTEM DYNAMICS AND CORPORATE STRATEGY**

**DATE: APRIL 2015 TIME: 3 HOURS**

**INSTRUCTIONS: Answer Question One and Any Other Two Questions**

**QUESTION ONE**

**Read the case below of Mabati Rolling Mills Ltd and answer the questions that follow:**

Mabati Rolling Mills – Nairobi is part of SAFAL group of companies that were established by business men in Eastern Africa way back in 1950s and 1960s. SAFAL today has spread its tentacles to cover the entire COMESA region of Eastern and Southern Africa. They have invested in steel rolling, cold or hot. They have invested their product to include specific products needed by the local market.

Mabati Rolling Mills-Nairobi is so called because there is a sister company Mabati Rolling Mills – Mombasa at Mariakani which produces a range of products including Lion brand of cooking pots, Lanterns and Kerosene cooking stoves. The Mabati Rolling Mills-Nairobi has of late expanded its operation and diversified its range of products. It is one of the most important manufacturing companies in COMESA countries.

CEO for the company Mr. Kaushik Sha has been consistent in his expansion programs. He has a team of highly qualified managers and advisers. The company is actually held by many shareholders and the CEO is the embodiment of that powerful shareholders and company owners.

The firm has consistently invested heavily in the modern technology and has employed qualified staff. The management is up to the task of modernizing the plant. They have helped in the improvement of roofing materials in East Africa and have therefore improved the standards of living of the Eastern African people.

1. What strategies are likely to have assisted Nairobi Mabati Rolling Mills ltd to progress in the last few years? (10marks)
2. To what extent has the company practiced social responsibility as a strategy for successful business managers? (5marks)
3. Conduct a SWOT analysis for Mabati Rolling Mills ltd-Nairobi (10marks)
4. Which expansion/international entry strategy will you recommend for this company? Explain the advantages of your choice. (5marks)

**QUESTION TWO (15 marks)**

System dynamics is an approach to understanding the behavior of complex systems over time and as such, todays managers should appreciate the phenomenon an view their organizations as systems. In relation to this view;

1. Explain the relevance of systems thinking to leaders and managers of organizations. (5marks)
2. Discuss the E-V-R congnunce model as developed by Thompson for effective management organizations. (10marks)

**QUESTION THREE (15 marks)**

1. Explain the concept of a turbulent market and briefly state the causes of turbulent of the markets. (5marks)
2. By help of a model of your choice, discuss the strategic postures/implications for copying with turbulent markets. (10marks)

**QUESTION FOUR (15 marks)**

You are attending a management meeting for the first time after your appointment as the coordinator for strategic implementation at Kenya Airways. You are required to explain to the panel the following

1. What entails strategy implementation? (3marks)
2. Challenges possibly expected at strategy implementation phase. (6marks)
3. How to use Mackency’s 7s model for effective strategy implementation. (6marks)

**QUESTION FIVE (15 marks)**

1. Discuss the Resource based view as a criticism of Porters’ five forces model. (8marks)
2. Advice JKUAT on how it can apply marketing mix strategies to increase students enrolment (7marks)