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**KIRIRI WOMENS' UNIVERSITY OF SCIENCE AND TECHNOLOGY**  
**UNIVERSITY EXAMINATION, 2024/2025 ACADEMIC YEAR**  
**THIRD YEAR, SECOND SEMESTER EXAMINATION**  
**FOR THE DEGREE OF BACHELOR OF SCIENCE**  
**(BUSINESS ADMINISTRATION)**

Date: 12<sup>th</sup> April, 2024  
Time: 2.30pm –4.30pm

**KBA 305 – BUSINESS LEADERSHIP AND STRATEGY**

**INSTRUCTIONS TO CANDIDATES**

**ANSWER QUESTION ONE (COMPULSORY) AND ANY OTHER TWO QUESTIONS**

**QUESTION ONE (30 MARKS)**

**Read the case study below and answer the questions that follow**

**MANDOGO COMPANY LIMITED**

Mandogo Company Limited was registered and incorporated in 2013 with Dr. Mutiso as its CEO. The main objective of the company was to Manufacture and distribute agricultural equipments in East Africa with their head quarters in Kampala. The CEO Dr. Mutiso engaged an external consultant to formulate vision and mission statements and a statement of core values for the company after conducting environmental appraisal for the organization. The marketing management team embarked on market research to find out the prices of Zama and Meme who were the rival competitors and were doing very well with a large market share in East Africa. The marketing team set out to price the company's products slightly lower than their rival companies. During the first year after launching their products the company was able to break even in regard to sales. In addition, the marketing team engaged in training programs for their sales force. Dr. Mutiso made a policy that he will be meeting the sales force after every fortnight in order to get their feedback and address challenges they faced. During the staff meetings Dr. Mutiso used both financial and non financial rewards.

During the third quarter of 2013 the sales force embarked on aggressive advertising campaigns which saw the company realize significant sales revenue of 25 million in 2015 from 2 million in 1<sup>st</sup> quarter of 2014. Most customers of ZAMA and MEME started switching to Mandogo Company limited. By the end of year 2017 the financial statements of Mandogo Company Limited revealed that the company had made a profit of Ksh 65 million. However, by the end of 1<sup>st</sup>quarter of year 2018 the CEO Dr. Mutiso saw green pastures in ZAMA Company limited one of the rival companies who promised to triple his salary package coupled with several attractive fringe benefits as opposed to Mandogo. After careful scrutiny of the potential benefits Dr. Mandogo decided to quit the company by the end of 2<sup>nd</sup>year quarter of 2019. The Board of Directors of VIVO decided to replace Dr. Mutiso with Professor Maalim who was previously the marketing manager of Mokoni group of companies. During the third quarter of year 2018, Professor Maalim introduced several strategies such as: price increase of the company's product, and scrapped all the financial and non-financial incentives for sales force in order to decrease cost of operations. Mr. Mukele viewed the fortnight meetings with the sales force, staff allowances and other non-financial rewards, team building workshops and training budget as expensive and unnecessary cost.

Professor Maalim strictly used authoritarian style of leadership and had no space for workers opinions. The new change saw significant decline of sales and high labour turnover of sales force. In addition, many customers started switching to rival companies and especially ZAMA. By the end of year 2019 the financial statements revealed significant profit decline from Ksh 60 million in year 2017 to Ksh3 million in 2019. The Board of Directors have advised CEO to conduct SWOT analysis and PESTEL analysis so as be able to identify appropriate strategies to reverse this serious negative trend.

**Required;**

- a) Explain any six reasons why Dr. Mutiso the company's CEO engaged an external consultant to conduct environmental appraisal for the company. (6 marks)
- b) Discuss the importance of core values to Mandogo Company. (6 marks)
- c) Examine factors behind the success of the company during the tenure of Dr. Mutiso. (6 marks)
- d) Examine the demerits of the style of leadership used by Professor Maalim (6 marks)
- e) Advise Professor Maalim on the measures he should put in place to return the company to its original glory in regard to performance in reference to profit growth (6 marks)

**QUESTION TWO (20 MARKS)**

- a) Discuss the functions of managers in regard to the following levels of strategy
  - i) Corporate level strategy (2 marks)
  - ii) Business level strategy (2 marks)
  - iii) Function level strategy (2 marks)
- b) Examine any four types of power using an organization of your choice (8 marks)
- c) Discuss the circumstances under which an organization may prefer to implement stability strategy. (6 marks)

**QUESTION THREE (20 MARKS)**

- a) Explain the dimensions of a good mission statement. (8 marks)
- b) Examine the strategic alternatives which an organization may adopt in reference to competitive analysis. (6 marks)
- c) Strategic control is of critical importance in an organization setting. Discuss the importance of strategic control to management of Kiriri Women's University Technology. (6 marks)

**QUESTION FOUR (20 MARKS)**

- a) Discuss the challenges an organization is likely to face during the implementation of any chosen strategy. (8 marks)
- b) Discuss the importance of organizational objectives. (6 marks)
- c) "Leadership is of critical importance across all organization." Examine the major characteristics of leadership. (6 marks)

**QUESTION FIVE( 20 MARKS)**

- a) Examine any four critical success factors of strategy implementation. (8 marks)
- b) David Brodwin and L.J. Bourgeois developed five fundamental approaches for implementing the chosen strategies. Discuss the merits of commander approach (6 marks)
- c) Managers of all organizations should possess certain specific skills in order to successfully implement the chosen strategies. Discuss any four of such skills. (6 marks)