

2922/305
FUNDAMENTALS OF
STRATEGIC MANAGEMENT
November 2022
Time: 3 hours



THE KENYA NATIONAL EXAMINATIONS COUNCIL

DIPLOMA IN PROJECT MANAGEMENT

MODULE III

FUNDAMENTALS OF STRATEGIC MANAGEMENT

3 hours

INSTRUCTIONS TO CANDIDATES

*This paper consists of SEVEN questions.
Answer FIVE questions in the answer booklet provided.
All questions carry equal marks.
Candidates should answer the questions in English.*

This paper consists of 2 printed pages.

Candidates should check the question paper to ascertain that both pages are printed as indicated and that no questions are missing.

1. (a) Explain the conditions that may cause a supplier group to be termed as powerful. (10 marks)
- (b) Explain five objectives that an organisation may seek to achieve through adoption of growth strategies. (10 marks)
2. (a) Explain five reasons for developing mission statements during the strategic management process. (10 marks)
- (b) Mavazi Textile Company had just completed a SWOT analysis. Outline the potential external threats that the analysis may have revealed. (10 marks)
3. (a) Explain five circumstances under which the differentiation strategy may be suitable. (10 marks)
- (b) Explain five factors that may determine the intensity of competitive rivalry in an industry. (10 marks)
4. (a) Outline four reasons that may justify outsourcing during strategy implementation. (8 marks)
- (b) Outline six qualities of an effective strategic control system. (12 marks)
5. (a) Explain five causes of employee resistance to change. (10 marks)
- (b) Outline five weaknesses of the tall organization structure. (10 marks)
6. (a) Outline five characteristics of organization culture. (10 marks)
- (b) Explain five strategic responsibilities of corporate managers in an organization. (10 marks)
7. (a) Avant Company intends to implement the diversification strategy through an acquisition. Explain five factors that the management should consider when selecting an acquisition target. (10 marks)
- (b) Explain five reasons that make managers engage in forecasting. (10 marks)

THIS IS THE LAST PRINTED PAGE.