



The Chartered
Institute of Logistics
and Transport

The
Management
University
of Africa



Sponsored by the Kenya Institute of Management

CHARTERED INSTITUTE OF LOGISTICS AND TRANSPORT (CILT)

EXAMINATIONS

SCHOOL OF MANAGEMENT AND LEADERSHIP

ADVANCED DIPLOMA IN LOGISTICS AND TRANSPORT

ADIP 02: LEADERSHIP AND STRATEGIC MANAGMENT

DATE: 16TH DECEMBER 2024

DURATION: 2 HOURS

MAXIMUM MARKS: 100

INSTRUCTIONS:

1. Write your registration number on the answer booklet.
2. **DO NOT** write on this question paper.
3. This paper contains **SIX (6)** questions.
4. Question **ONE** is compulsory.
5. Answer any other **THREE** questions.
6. Question **ONE** carries **25 MARKS** and the rest carry **15 MARKS** each.
7. Write all your answers in the Examination answer booklet provided.

QUESTION ONE

Read the following case study and answer the questions which follow.

Case Study: Business Ethics in Global Supply Chains

In recent years, the global textile industry has faced intense scrutiny over its ethical practices, particularly concerning labor conditions, environmental sustainability, and corporate governance. XYZ Textiles, a mid-sized apparel manufacturer based in Bangladesh, has grown rapidly by supplying garments to major retailers in Europe and North America. The company prides itself on its commitment to quality and affordability but is now facing allegations of unethical labor practices in its supply chain.

Reports have surfaced that some of XYZ Textiles' subcontractors are employing underage workers and paying below minimum wage. Additionally, there are claims of unsafe working conditions in these factories, which have led to several incidents of worker injuries. The company's management has been proactive in addressing these issues, launching internal audits and increasing transparency in its operations. However, the situation has sparked public outcry and led to calls for boycotts from consumer advocacy groups.

The management team at XYZ Textiles is now at a crossroads. They must decide how to respond to the allegations while balancing their commitment to profitability, the welfare of their workers, and the expectations of their customers. As part of their strategy, they are considering implementing more stringent ethical guidelines, enhancing oversight of their supply chain, and increasing engagement with local communities. However, they are also concerned about the potential financial impact of these changes.

Required:

- a) Analyze the ethical dilemmas faced by XYZ Textiles in addressing the labor conditions within its supply chain and illustrate what principles of business ethics should guide their decision-making process of the organization. (10 Marks)
- b) Identify both internal and external key stakeholders involved in this case, and explain how XYZ Textiles should communicate with these stakeholders to restore trust and improve its ethical standing (10 Marks)
- c) What long term strategies should XYZ Textiles implement to promote ethical practices within its supply chain? (5 Marks)

QUESTION TWO

- a) Differentiate between an international and a transnational strategy. (5 Marks)
- b) Explain the three challenges in changing from one strategy to another (6 Marks)
- c) What is the importance of corporate social Responsibility in today's business? (4 Marks)

QUESTION THREE

- a) Discuss the levels of involvement in strategic management, the role of staff at each level and how the strategy hierarchy facilitates this? (10 Marks)
- b) Summarise how Balanced Scorecard is used in an organisation as a strategic management tool to monitor and assess the company's performance. (5 Marks)

QUESTION FOUR

- a) Outline the fundamental differences between outside-in and inside-out thinking about strategic management, and their influence on strategy. (10 Marks)
- b) Elaborate the perfect alignment between an organization's purpose and culture (5 Marks)

QUESTION FIVE

- a) Using Porter's Five Forces, discuss how you would evaluate the structure and profit potential of the road freight transport industry in Kenya **(10 Marks)**
- b) Examine how the following would encourage business continuity and internal sustainability:
- i. Training and development **(5 marks)**
 - ii. Physical resource strategies

QUESTION SIX

'Climate change is a major challenge facing the world today and, arguably, industrial activity is one of the leading causative factors of climate change'. Discuss the process and importance of an Environmental Impact Assessment (EIA) in mitigating the consequences of industrial activity with particular reference to the logistics and transport industry **(15 Marks)**