The Management University of Africa

Sponsored by the Kenya Institute of Management

POSTGRADUATE UNIVERSITY EXAMINATIONS

SCHOOL OF MANAGEMENT AND LEADERSHIP

DEGREE OF DOCTOR OF PHILOSOPHY IN MANAGEMENT AND LEADERSHIP/ DOCTOR OF PHILOSOPHY IN BUSINESS ADMINISTRATION

DSM 901: THEORIES OF STRATEGIC MANAGEMENT

DATE: 1ST APRIL 2025

DURATION: 3 HOURS

MAXIMUM MARKS: 50

INSTRUCTIONS:

1. Write your registration number on the answer booklet.
2. DO NOT write on this question paper.
3. This paper contains FOUR (4) questions.
4. Question ONE is compulsory.
5. Answer any other TWO questions.
6. Question ONE carries 30 MARKS and the rest carry 10 MARKS each.
7. **Write all your answers in the Examination answer booklet provided.**

QUESTION ONE

Read the Case Study below carefully and answer the questions that follow:

Case Study: ABC Limited

ABC Limited operates in a fiercely competitive sector characterized by rapid technological changes and a dynamic policy and regulatory environment. This challenging landscape has led to a decline in the company's market share, reduced customer satisfaction, and high staff turnover. Additionally, environmental conservation groups are exerting pressure on the company to adopt sustainable practices.

ABC Limited's sector is marked by intense competition, where companies are constantly innovating to stay ahead. Rapid technological advancements mean that businesses must continuously evolve and adapt to new technologies to maintain their competitive edge. The policy and regulatory environment is also in flux, **requiring ABC to stay abreast of new regulations and ensure compliance.**

The most recent performance report indicates that ABC Limited is experiencing a decline in market share. This trend is concerning as it signifies a loss of customers to competitors. Several factors may contribute to this decline.

Customer satisfaction is a critical indicator of a company's success and remains a concern. The performance report highlights reduced customer satisfaction, which can negatively impact customer loyalty and brand reputation.

High staff turnover is another significant challenge facing ABC Limited. A high turnover rate can lead to increased recruitment and training costs, loss of institutional knowledge, and decreased employee morale. In the last management meeting, a senior staff member announced that he had secured a job at another firm and would be leaving in the following one month.

ABC Limited is also under pressure from environmental conservation groups to adopt more sustainable practices. These groups are advocating for the company to reduce its carbon footprint, implement eco-friendly policies, and contribute to environmental conservation efforts. Failing to address these concerns can result in negative publicity, loss of customer trust, and potential regulatory penalties.

Furthermore, another company is considering a strategic alliance with ABC though the details of the alliance are not yet publicly available.

Frequent breakdown of production plant and perceived quality of product challenges partly due to staff recruitment policies have not helped ABC fortunes. Furthermore, one of the senior managers wondered aloud whether the values of the company were aligned with the core business and whether the company should not consider outsourcing some of its operations.

In view of these challenges, ABC has engaged services of a consultancy firm to urgently diagnose the situation and provide recommendations which when implemented should enable ABC to effectively address its challenges.

You are the lead consultant of the consultancy firm that is hired by ABC to advice.

Required:

a) Discuss the relevance of the dynamic capabilities (DCV) theory of the firm and how you will use it to address the ABC Limited situation **(10 marks)**

b) Explain how the limitations of the DCV theory will be addressed to ensure that the recommendations proposed effectively address the requirements of ABC Limited. **(10 marks)**

c) Could strategic partnership partly address the challenges at ABC limited? Discuss. **(10 marks)**

QUESTION TWO

Critique the institutional theory and explain its application in a firm of your choice in Kenya or a country you are most familiar with. **(10 marks)**

QUESTION THREE

a) Discuss the theoretical underpinning of stakeholder engagement in strategic management **(5 marks)**

b) Every organization has stakeholders whose concerns should be incorporated in the organisations plans and operations. Describe how you would conduct an effective stakeholders' analysis? **(5 marks)**

QUESTION FOUR

Identify any one theory or framework or model in strategic management and discuss any two doctoral level research questions that can be or should be underpinned by the chosen theory, framework or model. **(10 marks)**

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