PAN AFRICA CHRISTIAN UNIVERSITY

SCHOOL OF LEADERSHIP, BUSINESS AND TECHNOLOGY

END OF SEMESTER EXAMINATION FOR THE DEGREE OF MASTERS OF ARTS IN LEADERSHIP

AUGUST 2018 INTERTERM SESSION

CAMPUS:	**VALLEY ROAD**
DEPARTMENT:	**LEADERSHIP**
COURSE CODE:	**MAL501**
COURSE TITLE:	**STRATEGIC LEADERSHIP**
EXAM DATE:	**TUESDAY 4th SEPTEMBER 2018**
DURATION:	**2 hours**
MODE:	**ONLINE**
TIME:	**5:00PM-9:00PM**

INSTRUCTIONS

- Read all questions carefully.
- ANSWER **QUESTION ONE** AND ANY OTHER **ONE** QUESTION(**20 Marks)**

<u>SECTION A</u>(Compulsory)

1. Read the case study below and answer the questions that follow.

CASE STUDY:

Megan looked forward to her new lifestyle: being CEO of a 3,500-member organization, called CAR, operating in the car industry in Dearborn, Michigan, was a job that exceeded her life expectations. It was a dream job and paid really well. She enjoyed the accoutrements of being a CEO: the first-class flights, the beautiful loft apartment, the chauffeur-driven limousine were all things that she came to enjoy. The job offered more than that, for it gave her the creative freedom to direct a large and, she thought, well-managed company. However, after a couple of months she noticed that beneath the seemingly pleasant surface of the new job and people perhaps something was not quite right. The latest figures from the sales staff were disappointing. More worryingly, a major and long-term partner, one who used to make up about 20% of the turnover of CAR, had swapped to one of CAR's main competitors. And this was something that had happened in Megan's first week in her new job that she felt she had never really recovered from – even though it could not have been her responsibility. What was going on? Meg took a cold, hard look at CAR; she looked beyond the hype which had intoxicated her when she was first headhunted for and then accepted the position. Why was it that none of the past three CEOs had stayed for longer than twelve months? In fact, Bob, the last CEO, told Meg that he tried to initiate changes but found it too hard to drive through the changes that he wanted to achieve. The basic problem was one of costs and profits. The environment around CAR had become pretty rough in the last couple of years. New competitors had popped up from China (a region that used to be no threat at all because of strict import regulations – but these had disappeared eighteen months ago). These competitors were offering similar products, at a much better price, and CAR was wondering how they managed to do so. It was not just a question of cheaper labor costs: CAR's products were not that labor intensive and labor costs did not amount to much more than 10% of factor input costs. In the old days, CAR was supplying technical parts to over four different car brands in the USA, including Ford and Chrysler. CAR incrementally developed new technologies and the car manufacturers bought it.

With the entrance of competitors, things changed dramatically. Even long-term clients stressed that they were looking globally for the best price/value package: they expected rapid changes in product style and function such that the lifetime cycle of the product was reduced……………………………………..

Finally, Meg saw the global market as the ultimate challenge for CAR: instead of being tied to US manufacturers, she envisioned Europe, Asia, South America, and even Africa as future growth markets. But how was she to bring about all these changes?

Required:

With regard to the scenario above, identify and describe the strategic approach you will apply to address the strategic issues in CAR. Briefly explain the premise of school's strategy and how applicable it is to CAR's organizational context and situation. ***10 Marks***

SECTION B: Answer any ONE question

[2.] U~~u~~sing the context of an organization you know, discuss how strategic leadership is applied and practiced and explain how strategic leadership is different from the general practice of Leadership.***10 Marks***

2.[3.] Mintzberg, Ahlstrand, and Lampel (2005) identified 10 schools of strategy - design, planning, positioning, entrepreneurial, cognitive, learning, power, cultural, environmental, and configuration.

Your organization,a startup of 10 years is still led by the founder. The founder has requested you to offer consultancy services on their strategic direction. Briefly explain, with justification, which school of thought you would apply that is relevant to the respective organization.Your response should reveal your understanding of the respective organization in relation to its current and preferred future state, and the premise of the strategic school that you will select.***10 Marks***

3.[4.] You have been selected to develop a strategic plan for a mid-size banking institution which is looking forward to position itself for the future. Discuss the strategy formulation process that you will use in the strategy development process.***10 Marks***