

PAN AFRICA CHRISTIAN UNIVERSITY

**BACHELOR OF BUSINESS INFORMATION TECHNOLOGY AND BACHELOR OF
SCIENCE IN INFORMATION TECHNOLOGY**

END OF SEMESTER EXAMINATION

DEPARTMENT: COMPUTING AND INFORMATION TECHNOLOGY

COURSE CODE: BIT409-BSIT409-BUS3133

COURSE TITLE: STRATEGIC MANAGEMENT

CAMPUS: ROYSAMBU

EXAM DATE: FRIDAY, XXXX, AUGUST, 2025

TIME: 5.30-8.30PM

INSTRUCTIONS

- This exam script has **TWO (2)** sections.
- Read all questions carefully before attempting.
- Answer All questions in Section **A** and any other Three questions in Section **B**.
- Write only your **student number** on the answer booklet provided.

SECTION A

(Answer ALL questions in this section)

Question 1:

Read the case below and answer the following:

Kasuku Motors

Tom cofounded Kasuku Motors in 2003 with the vision of making electric cars that could rival, and even replace, traditional gas-engine cars in the consumer marketplace. At the start of the 21st century, the external environment was beginning to show favorable signs for the development of electric cars: people were becoming more concerned about the environment and their carbon footprints, and gas prices were beginning a steep climb that had already spurred the sales of hybrid gas-electric cars such as the Toyota Prius.

The automobile industry was not responding to these environmental trends, instead relying on the fact that trucks such as the Ford F-150 and Chevrolet Silverado were still the two top-selling vehicles in America in 2003. Tom saw a different future for vehicles, and Kasuku Motors introduced the all-electric Roadster in 2008. Four years later, the more practical Model S was introduced, and Kasuku Motors sales began to climb.

As a new entrant in the automobile industry, though, Kasuku Motors faced several challenges. Manufacturing and distribution in this industry are extremely expensive, and Kasuku Motors had to develop the capability of efficiently manufacturing large quantities of cars. Kasuku Motors also had to establish dealerships for its cars, although it also decided to sell cars online, taking advantage of tech-savvy consumers' comfort with online shopping. Perhaps Kasuku Motors's greatest challenge was convincing consumers to trust the new technology of all-electric cars. Range anxiety became an actual term, describing people's fear that their car batteries would run out before they reached their destinations. To combat this, Kasuku Motors developed an extensive network of charging stations so consumers could be confident that they could charge their cars conveniently.

Tom has been a master of raising money to fund Kasuku Motors's efforts to successfully enter the mainstream automobile manufacturing industry; so far, Kasuku Motors's entry has cost billions of dollars. Kasuku Motors has also taken advantage of tax incentives to

develop its charging stations and to sell its cars, because Kasuku Motors customers receive tax credits for the purchase of their cars. Kasuku Motors cars are not inexpensive, however, and that has limited their marketability. Most Americans cannot afford the Model S or more recent Model X's high prices (up to and exceeding \$100,000).

In 2017, Kasuku Motors launched the Model 3, designed to transform the car industry by being its first mass-market, affordable model. The company started taking "reservations" for the model in 2016, promising that it would arrive with a \$35,000 price tag. By mid-2017, the reservations list had reached half a million customers, creating a new problem for Kasuku Motors.

- a) Identify FOUR PESTEL factors supported by Kasuku Motors's success from the above case. **(4 Marks)**
- b) Discuss TWO factors that posed challenges in the case above. **(4 Marks)**
- c) As a Strategic Consultant, Kasuku Motors has approached you to resolve their production level. Advice. **(2 Marks)**

SECTION B

(Answer any THREE (3) questions in this section)

Question 2:

- a) Distinguish between the “distinctive competence” and the “philosophy” components in a mission statement. Give an example of each for your university.

(4 Marks)

Nike:

Mission: Create groundbreaking sports innovations, make our products sustainable, build a creative and diverse global team, and make a positive impact in communities where we live and work

- b) Explain THREE questions that the above mission statement can answer about Nike’s stakeholders. **(6 Marks)**

Question 3:

Using self-driving cars as example, evaluate this industry using Porters Five forces.

(10 Marks)

Question 4:

H is a charity which has an excellent reputation working with homeless people to find food and shelter. H employes over 100 highly experienced staff and also uses 150 skilled volunteers. Its funding mainly comes from business donations and sponsorship but its public profile is low compared to larger, more publicised charities.

Due to recent recession, donations to H have fallen in the last 3 years but demand for its services has grown. The Government of the country in which H operates is encouraging greater collaboration between charities. This has resulted a number of highly successful mergers of charities in the last few years. H has been approached by G, a large, high profile and well-funded charity, with a proposal to merge. G offers complementary services to those offered by H, such as training.

- a) Perform SWOT analysis on H.

(8 Marks)

b) Describe the corporate strategy that H will apply if it accepts the offer from G.

(2 Marks)

Question 5:

a) A senior business analyst has taken over leadership of an existing team. He knows many of the team members and has decided to adopt a friendly approach, treating them as peers rather than his staff.

i. Identify the style of leadership in the above scenario. **(1 Marks)**

ii. As a strategist, explain Three problems that may arise from applying the above (a) leadership style. **(6 Marks)**

b) Describe the importance of having a compelling vision as a transformational leader. **(3 Marks)**

Question 6:

UrbanWear is the market leader in sportswear in Africa, selling a variety of sportswear products. The board has recently instituted a review of the competitive position of UrbanWear by commissioning a Balance Scorecard analysis.

a) Identify the following in respect to the dimensions of Balance Scorecard Analysis:

i. On-Time delivery and Cycle times **(1 Mark)**

ii. Training hours and Employee Retention **(1 Mark)**

iii. Cash flow and Profit margins **(1 Mark)**

iv. Market share and New customer acquisition. **(1 Mark)**

b) Explain THREE ways value chain analysis could help in organizational analysis. **(6 Marks)**

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