PAN AFRICA CHRISTIAN UNIVERSITY

UNIVERSITY EXAMINATIONS FOR THE DEGREE OF MASTER OF ARTS IN LEADERSHIP

END OF TERM EXAMINATION (AUG 2017)

CAMPUS: ROYSAMBU

DEPARTMENT: LEADERSHIP AND GOVERNANCE

COURSE CODE: MAL 501

COURSE TITLE: STRATEGIC LEADERSHIP

EXAM DATE: FRIDAY1st, SEPTEMBER 2017

INSTRUCTIONS

- The examination paper has two sections: A and B.
- Question **One** in section A is **Compulsory**
- Answer **ONE** question in section B
- You are expected to be comprehensive in each of your answer.
- Duration: Two hours
- FINAL EXAM (20 Marks)

Exam Purpose and Focus

The exam gives you an opportunity to demonstrate personal mastery of lessons learnt during this course. You will be judged, not by the amount of material you write, but by a demonstration of critical thinking and writing. Special regard will be paid to evidence of a robust scholarly integration of theories, principles and practice.

Exam Procedure

Please note the following carefully:

1. All essays must be written in the exam booklet.
2. You MUST NOT refer to any books, notes, or class discussions from your computer or notebooks
3. You MUST NOT share or discuss your answers or exam questions with any member of the class during the exam week, even if they have already done the exam.

SECTION A(Compulsory)

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

DoCoMo - The Japanese Wireless Telecom Leader: The Tsunami in Trouble

In May 2002, NTT DoCoMo (DoCoMo) Inc., Japan's largest mobile phone company, announced a net loss of ¥ 116.19 billion[1] and a goodwill write-off of ¥ 624.6 billion for the fiscal ending March 2002. Though the company registered an increase in operating revenues from ¥ 4,669.37 billion in 2000-01 to ¥ 5167.14 billion, the revenue growth was stated to be well below its company expectations. Company sources attributed this to the general decline in Average Revenue Per User (ARPU) for voice services and slower growth in new cellular subscribers across the country (Refer Exhibit I for DoCoMo's financials and ARPU data).

DoCoMo's announcement did not come as a major surprise to industry observers, as media reports had been forecasting losses for the company since early 2002 itself. What was noteworthy about this development, however, was the fact that the company was largely believed to be performing exceptionally well in the recent past. The fact that DoCoMo had roped in as many subscribers as the leading US-based media company AOL, but much faster, was often cited as a proof of Japan finally waking up to the challenges of the 'new' economy.

Analysts claimed that DoCoMo was paying the price for its aggressive overseas expansion drive during 1999-2002, in the form of these losses. DoCoMo had to take a huge write-off in its books on account of a decline in the value of its foreign investments and the slump in the global telecommunications market in 2001. While some analysts felt that DoCoMo should revamp its global strategy, a few others said that the company should take measures to increase ARPU. In the words of Hironobu Sawake, an analyst at J P Morgan (leading global financial services firm), "The question is whether we can see a rise in profitability."

DoCoMo announced that its commitment towards globalization was intact. The company also brushed off analysts' view that the focus should be on increasing the ARPU. Instead, it announced that it would focus more on 3G initiatives (developing and launching more innovative and new 3G technology products). While DoCoMo was still lauded for its well designed and executed strategic and marketing game plan that had helped it build a huge subscriber base over the years, these developments had raised many doubts about its future prospects and its ability to turn itself around.

(Source: http://www.icmrindia.org/free%20resources/casestudies/Free%20Business%20Strategy%20Cases.htm)

With regard to the scenario above, identify and describe the strategic approach you will apply to address the strategic issues in DoCoMo. Briefly explain the premise of this school of strategy and how applicable it is to DoComo’s organizational context and situation.

10 Marks

SECTION B: Answer any ONE question

2. While using your organization (or an organization that you know) as an illustration, differentiate between leadership and strategic leadership. With reference to the respective organization, explain at least two different scenarios where leadership is practicedand two different scenarios where strategic leadership is applied.

10 Marks

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

    Your organization (or an organization that you are familiar with) 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

4. While using your organization (or an organization that you know) as an illustration, discuss how the configuration school of strategy can be effectively applied to ensure long-term organizational success.

10 Marks