



UNIVERSITY EXAMINATIONS: AUGUST 2020
EXAMINATION FOR THE BACHELOR OF COMMERCE
BAM 2204: STRATEGIC MANAGEMENT
WEEKEND/DL

DATE: AUGUST, 2020

QUESTION ONE

NAIROBI, 23rd March 2020, (PSCU) — President Uhuru Kenyatta today announced the approval of Google Loon Services in Kenya to enable universal 4G data coverage in the country. He said the approval was in line with Government’s measures to respond to the disruptions caused by the global Coronavirus pandemic that has seen many people work from home to avoid contracting the respiratory illness. “In that regard, and to foster communication and enable Kenyans to retain and enhance remote access to the Offices and Enterprises, My Administration has granted approvals that will ensure universal 4G Data Coverage throughout Kenya,” said the President when he briefed the press at State House Nairobi. He announced that the Kenya Civil Aviation Authority (KCAA) has signed an agreement with Google Loon that allows Loon Balloons to fly over Kenyan airspace. These balloons, which will hover well above our commercial airspace, carry 4G base stations and have the capacity to provide wider signal coverage.

The President said the new development will enable Kenya to retain her competitive advantages in ICT and innovation in the midst of the current crisis; while at the same time laying the foundation for greater expansion once the current health challenge is contained. The President said Telkom Kenya and Google have been testing the 4G data network and will roll out the commercial service as soon as the balloons are available in the Kenyan airspace. “Once inaugurated, this service will extend Telkom Kenya’s 4G network to areas that currently are not covered by any of our mobile network providers,” the President said. The service will also boost online learning as it will allow teachers and students to access education materials remotely. While citing the recently set up telemedicine centre for Coronavirus detection at Kenyatta National Hospital, the President said Kenyans should be proud of their country’s pole position in technology and innovations.

On 24th July the Kenya’s President Uhuru Kenyatta extended a nationwide night-time curfew for a further one month following a surge in coronavirus cases in the country. He also announced a ban on the sale of alcohol in all restaurants while bars will remain closed indefinitely. He made

the announcement after meeting regional governors on Monday to assess the country's Covid-19 response. The president said he was concerned about increased cases particularly among young people "whose reckless actions were endangering the whole country". Kenya has so far recorded more than 17,000 cases of Covid-19 with 280 deaths. And the number of cases are expected to rise. This follows all total lock down in the education sector for one year and increase mobilization and advertisements against the use of cash transaction as possible sources of transmitting COVID 9

Using the above information, as a business executive in Safaricom carry out the following

1. PESTEL analysis 10 marks
2. SWOT analysis 10 marks

QUESTION TWO

Digitalization in Kenya

mobile and digital technologies and their increasing application in Kenya have had numerous consequences on media production, dissemination, reception and consumption. In essence, traditional media have had to adapt to changing trends by embracing digital technologies as they struggle to remain profitable and relevant. Declining audiences for traditional media such as newspapers, radio and television means it is imperative for companies operating such platforms to embrace change, and adopt technologies for their own good. They have also adopted digital technologies, particularly mobile phones and wireless Internet as instruments through which they can quickly collect, package, and disseminate information. Granted, the demands of the marketplace, including immediacy and instantaneity, means that sometimes media houses hardly take time to refine information so as to offer audiences better packaged journalism. Nevertheless, it is clear that people now have some ability to resist the commercial culture underpinning the operations of profit-seeking media. Accordingly, digital technologies have firmed their place in business structures in many media houses, and enhanced the speed of the production of journalism and other media products. Even though there have been arguments that innovations are often messy and risky particularly at the infant stages (this as a consequence of job losses, streamlining operations etc.), it is clearly perilous to ignore digital technologies given the changing trends and effects on both media productions and consumptions. It should be noted, however, that the benefits of digital technologies in Kenya are not homogenous. Rather, they depend on how people and organisations utilise them. Therefore, quality of use rather than mere access determines the efficacy and effects as well as any benefits accruing from such utilisation. This means that although a judicious study of the consequences of digital technologies on media in Kenya is required, there is no doubt that the increasing use of such technologies has influenced the way media organisations operate. Moreover, although we cannot proclaim the death of traditional media, media organisations' use of technology has had to change radically due to their desire to re-strategise and restructure their businesses. From a consumer perspective, it is abundantly clear that their consumption of, and interactions with media is enriched thanks to technology. Ordinary people are able to participate in media productions. The developments mean they are able to consume and produce content (usergenerated content, and now they are aptly referred to as prosumers) and

sometimes inform The Impact of Digital Technologies and Internet on Media and Journalism in Kenya 9 media decisions. This active involvement means they are able to challenge mainstream media dominance. In effect, some of the marginalised communities, or those who feel their issues are hardly given space in mainstream media, can utilise the technologies to articulate their issues. The rise of citizen journalism is built on such premises. Besides, consumers can now become more demanding of media in the sense that they want information or products that are relevant to them. Notwithstanding the rich prosumer experiences, and new business opportunities for media companies, technological appropriation and use have engendered some challenges. As this research holds, credibility, reliability and quality of information produced by users or audiences is not always guaranteed. Citizen journalists are not subject to the high ethical standards applied to professionals. Accordingly, citizen journalists can publish defamatory material without worrying about the consequences. Also, there are rising concerns that digital technologies have made it easier to infringe on copyright and intellectual property. Granted, and as this study shows, the use and consequences of digital technologies depends on how individual media and journalists use them

Adopted from Media Council of Kenya April 2016

Using the above extract discuss the media industry in Kenya with a clear focus on porters five competitive forces

20 marks

QUESTION THREE

Recently KQ has been facing financial problems, its situation is even worsened with COVID 19. Briefly explain the survival strategies KQ should adopt. (identify 3 possible strategies and give the rationale behind the adoption of these strategies)

10 marks