

**W1-2-60-1-6**

**JOMO KENYATTA UNIVERSITY OF AGRICULTURE AND TECHNOLOGY**

**UNIVERSITY EXAMINATIONS 2018/2019**

**YEAR II SEMESTER I EXAMINATION FOR THE DEGREE OF BACHELOR OF STRATEGIC MANAGEMENT**

**HESM 2202: ENVIRONMENTAL ANALYSIS AND POSITIONING**

**DATE: AUGUST 2019 TIME: 2 HOURS**

**INSTRUCTIONS: ANSWER QUESTION ONE AND ANY OTHER TWO QUESTIONS**

**QUESTION ONE (COMPULSORY) 30 MARKS**

a) Define the following terms:

i) Technological Environment 2 marks

ii) Core competence 2 marks

iii) PESTEL 2 marks

iv) Competitive rivalry 2 marks

v) A capability 2 marks

b) For a company to determine the resources that are competitively valuable the calibre of the firms resources must be measured. Highlight four criteria for measuring competitiveness of a firm’s resources (8 marks)

c) Delivering customer value is critical in enhancing firm competitiveness. Highlight six methods through which managers can reduce costs of the internally performed value chain activities (8 marks)

b) How can Porter’s Model assist the inputs side of a firm to become more competitive (4 marks)

**QUESTION TWO**

1. Explain the meaning of the acronym (SWOT) analysis. (4 marks)
2. i) With the aid of a suitable model highlight the component steps of SWOT analysis (12 marks)

ii) The ultimate of SWOT analysis is to translate the diagnosis of the company’s situation into actions for improving the company’s strategy and business prospects. Briefly explain. (4 marks)

**QUESTION THREE**

a) With the aid of a product life cycle model identify and explain one (1) grand strategy that is suitable at each stage (12 marks)

b) Briefly explain the conditions under which differentiation strategy can work best.

**QUESTION FOUR**

Market condition is a significant factor in environmental analysis.

a) Highlight the significance of market share in environmental analysis (10 marks)

b) Describe five strategies that firms can employ in increasing market share (10 marks)

**QUESTION FIVE**

The political factor is the greatest consideration in macro environmental analysis. Discuss. (20 marks)