



MACHAKOS UNIVERSITY

University Examinations 2021/2022 Academic Year

SCHOOL OF BUSINESS, ECONOMICS AND HOSPITALITY AND TOURISM
MANAGEMENT

DEPARTMENT OF BUSINESS ADMINISTRATION AND FINANCE

FOURTH YEAR FIRST SEMESTER EXAMINATION FOR

BACHELOR OF COMMERCE

BBA 400: BUSINESS POLICY AND DECISIONS

DATE: 26/8/2022

TIME: 2.00-4.00 PM

INSTRUCTIONS

Answer question ONE (Compulsory) and any other two questions

The Term Business policy refers to the policy framework adopted by a firm, within which decisions and policies are made, with the sole objective of enhancing performance. In business, there are two ultimate challenges that each business must counter in order to survive in the industry. These two challenges are to ensure that it is operating profitably and that its able to counter competition. These policies usually translate to a continuous process where choices and strategies are formulated to guide firms' direction.

- a) In the light of the above, discuss the strategy formulation process (12 marks)
- b) Briefly discuss the term environment and explain the main reason for environmental analysis in strategy formulation (12 marks)
- c) Explain any two grand strategies that a firm may adopt during the decline stage in the product life cycle (6 marks)

QUESTION TWO (20 MARKS)

- a) Briefly discuss the concept of business life cycle (12 marks)
- b) Discuss Michael Porters generic competitive advantage strategies (8 marks)

QUESTION THREE (20 MARKS)

- a) Using relevant example to illustrate your answer, explain the strategy Implementation process (12 marks)
- b) Discuss the qualities of good organizational objectives (8 marks)

QUESTION FOUR (20 MARKS)

- a) Discuss the evaluation process in the strategic management process. (12 marks)
- b) What are the ultimate challenges that a business must counter to guarantee its survival in the market place. (8 marks)

QUESTION FIVE (20 MARKS)

- a) Discuss the components of a Mission statement (10 marks)
- b) Briefly explain three levels of strategy (10 marks)