



ZCAS University

**MASTER OF BUSINESS ADMINISTRATION (BL&MS)
SMS 5162 STRATEGY DESIGN AND IMPLEMENTATION
MID SEMESTER EXAMINATION**

17th October, 2023

16:30 to 19:30

TIME ALLOWED: THREE HOURS (plus 5 minutes to read through the paper)

INSTRUCTIONS:

1. **Section A: Question One in Section A is compulsory.**
2. **Sections B: Answer Two (2) questions from this section.**
3. **This examination paper carries a total of 100 marks.**
4. **Candidates must not turn this page until the invigilator tells them to do so.**

Mwanachi Bank Limited

It is December, 2021 and the momentum is high at Mwanachi Bank Limited (MBL). The Bank recently won several awards in a high profile awards ceremony held in Durban, South Africa. The company was named as the fastest growing enterprise in the financial sector.

In the early 90's the financial sector was dominated by few commercial banks most of them being large multinationals. They were historically oriented to meeting the financial needs of large scale commerce and external trade. They had no track record of lending to households and start-ups small enterprises. The low income markets segments was therefore largely ignored.

Davies Kembo (DK) a successful entrepreneur together with a group of investors, aware of the gap in the banking sector among low income earners, formed a bank that would bridge the financing gap. MBL was the first registered as a building society and was later converted into a privately owned bank

The bank focussed fully on its target market and kept new products rolling for each category of its clients. This strategy led to overwhelming support from households, small businesses, individual entrepreneurs and professionals.

Apart from the market focus strategies, the overwhelming reception from clients might also be associated with the company's positive corporate culture. The Unique corporate culture provided an opportunity for the bank to develop competitive advantage centred on good customer service.

MBL was the first local bank to adopt and develop benchmarking strategy. Comparative companies were identified and data on them was collected. This enabled the discovery of gaps in competitive performance between MBL and those other banks hence the establishment of actions plans.

The management was well aware of the intense competition in the industry and was keen to establish a wide customer base. This was expressed in the firms long term plan which recognised the need to broaden the operation base and in particular to enter foreign markets and acquire subsidiaries.

After several years of growth, MBL established operations in a neighbouring country. The senior managers in the foreign unit were non locals while the first line managers and a large number of operatives were locals. An inverted pyramid organisation structure was adopted at the foreign unit. Senior management adopted a facilitating "behind the scenes" role leaving operations decisions to those who were closest to the customers in particular matters.

Though the structure was meant to improve human relations, rivalry and emerged between the various employees based on their nationalities. With time, motivation and productivity decreased and there was a deep mistrust of senior management among the lower cadre employees. Three years down the line, foreign markets share was half the target figure, financial performance was poor and corporate image was at all-time low. Drastic

measures needed to be taken to resolve these issues before they could water down the successes achieved in the past.

In the last five years MBL has emerged as a start performer in the financial sector. Despite all the challenges the company faced in the past, the Leadership of the company was able to turnaround and return it to profitability.

Required:

As an expert in Business Strategy, taking into account the many stages of development that an organisation went through, outline the 10 basic tasks of strategy Execution process and Explain why it is always important to address these factors before embarking on the execution journey. [50Marks]

QUESTION TWO

You are the newly appointed Chief Strategy Officer (CSO) of a medium-sized manufacturing company that specializes in producing consumer electronics. The company's board of directors has recently approved a new strategic plan that aims to expand into international markets and launch a new line of eco-friendly products over the next three years. As the CSO, you are responsible for overseeing the strategy execution process.

Required.

Imagine you have just taken charge as the CSO, and you are tasked with implementing the new strategic plan. Outline a step-by-step strategy execution process you would follow, highlighting key considerations, potential challenges, and metrics for measuring progress. How would you ensure that the organization's day-to-day operations align with the new strategy, and what mechanisms would you put in place to monitor and adjust the execution as needed?

[25Marks]

QUESTION THREE

You are the Chief Growth Officer (CGO) of a technology startup that has developed a revolutionary mobile app for managing personal finances. The app has gained significant traction in the domestic market, and your company is now considering international expansion as part of its growth strategy.

Required.

"As the CGO, you are tasked with formulating a growth strategy to expand your company's presence internationally. Describe the key steps you would take to develop and execute an effective international growth strategy. Consider factors such as market research, market selection, market entry methods, localization, competition, and potential risks. How would

you prioritize and allocate resources to support this expansion, and what metrics or KPIs would you use to measure the success of your international growth efforts?"

[25Marks]

QUESTION FOUR

- a) It has been argued time and again, that the management of strategy in an multinational corporation is way different from that of a locally found and operated company. Give an account of unique dynamics that comes with managing Strategy in a Multinational Corporation popularly known as MNC's. [10Marks]
- b) Corporate turnaround is defined as: 'The implementation of a set of actions required to save an organisation from business failure and return it to operational normality and financial solvency. Give an elaborate account of the different corporate turnaround strategy you are familiar with. [15Marks]