



MANICALAND STATE UNIVERSITY OF APPLIED SCIENCES

FACULTY OF AGRIBUSINESS AND APPLIED SOCIAL SCIENCES

DEPARTMENT: APPLIED BUSINESS SCIENCES

MODULE: STRATEGIC MANAGEMENT

CODE: BMAN 423

SESSIONAL EXAMINATIONS
NOVEMBER/DECEMBER 2023

DURATION: 3 HOURS

EXAMINER: MR. A. MTHOMBENI

INSTRUCTIONS

1. Answer *All* questions in Section A
2. Answer *any three* questions in Section B
3. Start a new question on a fresh page
4. Total marks 100
5. Credit will be given for appropriate use of examples

Additional material(s): None.

SECTION A: COMPULSORY

(Answer all questions in this section. Section A carries 40 marks)

Question 1

Read the following case study and answer the questions that follow

STARBUCKS' MUSIC BUSINESS

Anyone who has walked into a Starbucks cannot help but notice that, in addition to various coffee beverages and food, the company also sells music CDs. Most Starbucks stores now have racks displaying about 20 CDs. The interesting thing about Starbucks' entry into music retailing is

that it was not the result of a formal planning process. The company's journey into music retailing started in the late 1980s when Tim Jones, then the manager of a Starbucks in Seattle's University Village, started to bring his own tapes of music compilations into the store to play. Soon Jones was getting requests for copies from customers. Jones told this to Starbucks' CEO, Howard Schultz, and

suggested that Starbucks start to sell its own music. At first, Schultz was skeptical but after repeated lobbying efforts by Jones, he eventually took up the suggestion. Today, Starbucks not only sells CDs, it also provides music downloading at its "Hear Music" Starbucks stores, outlets where customers can listen to music from Starbucks' 200,000-song online music library while sipping their coffee and burning their own CDs.

Required

- a) The above case study gives a brief overview of Starbucks' music business.

Basing on the information provided in the case, propose mission statement, vision statement and core values for the company. (12 marks)

b) How would you use the 'SWOT' analysis to determine the competitiveness of Starbucks' music business (15 marks)

c) Strategic business managers often face the task of analyzing competitive forces within the industry environment in order to identify opportunities and threats. What competitive forces according to Michael Porter would have been faced by Starbucks' music business as it existed. (13 marks)

[Total Marks: 40]

SECTION B

(Answer any 3 questions from this section. Each question carries 20 marks)

Question 2

Giving practical examples, briefly explain how the macro business environment impacts on strategy performance of your organisation. **[20 marks]**

Question 3

As the Chief Executive Officer of your organisation, discuss why business agility is important in an unstable macro business environment. **[20 Marks]**

Question 4

Discuss how an organisation of your own choice may use different levels of strategy to gain competitive advantage. **[20 Marks]**

Question 5

As the Chief Executive Officer, you are invited to give a lecture on newly recruited managers of your organization. Explain to them in your introductory lecture the strategic management process **[20 marks]**

Question 6

Most business enterprises in the 21st century have failed as a result of objectives that are not SMART. As a business strategy consultant, elaborate to your client because SMART objectives are a source of strategic positioning. **[20 Marks]**

END OF EXAMINATION