



Strathmore
UNIVERSITY

SCHOOL OF TOURISM AND HOSPITALITY
MASTERS IN HOSPITALITY BUSINESS MANAGEMENT
END OF MODULE EXAMINATION
MHBM 8303: COMPETITIVE STRATEGIES FOR HOSPITALITY BUSINESS

DATE: Thursday, 6th July 2023

DURATION: 3 Hours

INSTRUCTIONS:

1. This examination consists of **FIVE** questions
2. Answer **Question ONE (Compulsory)** and **any other TWO** questions.

Question One

[30 Marks]

The Intercontinental Hotel has been closed for a while because of continuing losses. A private equity firm has recently acquired the hotel, rebranded it to the New Intercontinental Hotel, and appointed you as the Chair of the new Board of Directors. You have recruited a new CEO and the Senior Management Team (SMT). You are having a meeting with the CEO and the SMT to brief them on your requirement for them to initiate development of strategy and submit to you.

Discuss your briefing to them, on what you would be looking for in the strategy development process by first defining strategy and then explaining to them its multi-dimensional nature. Discuss the components that make up strategy by:

- a) Defining strategy. (5 marks)
- b) Explaining multi-dimensional nature of strategy encompassing the strategy development process. (10 marks)
- c) Discussing the components that make up strategy. (15 marks)

Question Two

[20 Marks]

- a) Explain the importance of conducting external environmental assessment in the context of strategy formulation. (10 marks)
- b) Apply the concepts of the Resource-Based View and Industry Organization theories to explain factors that contribute to competitiveness in the hotel industry. (10 marks)

Question Three

[20 Marks]

- a) Discuss the significance of industry analysis in strategy development. (10 marks)
- b) Utilize Porter's Five Forces model to analyze a specific segment of the hotel industry (e.g., medium-sized luxury hotels). (10 marks)

Question Four**[20 Marks]**

- a) Introduce Avedis Donabedian's philosophy of the Structure, Process, and Outcome approach and explain its application to the concept of the Balanced Scorecard. (10 marks)
- b) Discuss the process of developing strategy projects and how they help fill gaps in strategy implementation. (10 marks)

Question Five**[25 Marks]**

- a) Explain the importance of strategy measures at various levels of an organization. (10 marks)
- b) Describe different types of measures, including input, output, outcome, and impact measures, and provide examples from the hospitality industry. (10 marks)

TOTAL = 70 MARKS; WEIGHT = 50%