



STRATHMORE UNIVERSITY BUSINESS SCHOOL
BACHELOR OF FINANCIAL SERVICE
END OF SEMESTER EXAMINATION
BFS 4202: STRATEGIC BUSINESS LEADERSHIP

DATE: 4th December 2023

Time: 15:30-17:30

Instructions

1. This examination consists of **FIVE** questions.
2. Answer **SECTION A (COMPULSORY)** and any other **TWO** questions in **SECTION B**.

SECTION A

QUESTION ONE

Financial Solutions, Inc. (FSI) is a leading global financial institution with a diverse range of services, including retail banking, investment banking, asset management, and insurance. FSI has established itself as a prominent player in the financial sector over several decades. However, the financial industry is characterized by dynamic market conditions, regulatory changes, and evolving customer expectations. To maintain its position and continue its growth trajectory, FSI faces strategic decisions that involve leveraging key strategic frameworks: the BCG Matrix, Ansoff Matrix, and Porter's Diamond model. These frameworks offer essential insights into guiding FSI's strategic direction.

FSI stands at a critical juncture in a highly competitive and regulated financial industry. To navigate the complex financial landscape effectively, they must consider the implications of their BCG Matrix analysis, explore growth strategies through the Ansoff Matrix, and assess the competitiveness of their home country using Porter's Diamond model. These frameworks provide valuable insights that can guide their strategic decisions and determine their future trajectory.

Required:

- a) Advise FSI how to improve Portfolio Analysis with the BCG Matrix. **(8 marks)**
- b) Discuss how the company can use the Ansoff matrix for growth opportunities. **(8 marks)**
- c) Briefly examine FSI's Competitive Advantage using Porter's Diamond Framework **(4 marks)**

TOTAL 20 MARKS

SECTION B

QUESTION TWO

- a) For each of the perspectives, discuss how leadership impacts the success of the Balanced Scorecard in organizations, including relevant examples for each perspective. **(12 marks)**
- b) Briefly explain four approaches in which talent management strategies create a competitive advantage. **(8 marks)**

TOTAL 20 MARKS

QUESTION THREE

- a) Briefly explain four reasons why identifying core competences, identifying and leveraging unique resources is critical for a company's long-term success. **(8marks)**
- b) Briefly give three reasons why organizational resilience is important in a changing business. **(6 marks)**
- c) Briefly explain three reasons as to how a company's capacity for strategic change and resilience plays a pivotal role in achieving sustained success. **(6 marks)**

TOTAL 20 MARKS

QUESTION FOUR

- a) Briefly explain four ways in which a company can use the value chain analysis to create value for its products or services. **(8 marks)**
- b) Identify and describe the three generic strategies proposed by Michael Porter, and for each strategy, explain two ways a company can use them to gain a competitive advantage? **(12 marks)**

TOTAL 20 MARKS

QUESTION FIVE

- a) Operational risk encompasses a wide range of risks associated with the potential for loss arising from various aspects of an organization's operations. This includes internal process risk, human behavior risk, systems risk, and external events risk. Briefly discuss each of these risks and provide examples for each. **(12 marks)**
- b) Briefly explain two significances of cultural intelligence (CQ) in global business leadership. **(4 marks)**
- c) Using relevant examples, briefly explain 2 ways a company can utilize IT to formulate and execute its strategic initiatives. **(4 marks)**

TOTAL 20 MARKS