



THE CATHOLIC UNIVERSITY OF EASTERN AFRICA

A. M. E. C. E. A

MAIN EXAMINATION

JANUARY - APRIL 2015 TRIMESTER

FACULTY OF COMMERCE

WRITTEN COMPREHENSIVE EXAMINATION

STRATEGIC MANAGEMENT SPECIALIZATION

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Date: 21st February 2015	Duration: 3 Hours
Instructions: Answer ALL Questions	

- Q1. Read the case "Daimler Smart Fortwo Car in the US," and respond to the question below.
- a) Discuss the launch of Smart Fortwo in the US and its unique features. **(10 marks)**
 - b) What according to you could be the reasons for the initial success of the car in the US? **(8 marks)**
 - c) Smart ForTwo was being criticized for being too pricy. Do you think the company should reconsider the price of the car as the US economy faces downturn? Take a stand and justify your answer. **(12 marks)**
 - d) Based on the current situation, (internal and external) discuss the future prospects of Smart Fortwo. **(12 marks)**
 - e) Suggest and discuss possible future course of action through which the car can maintain an edge over its competition. **(8 marks)**
- Q2. Read the case "Re-engineering and Restructuring at Canon" and answer the following Questions.
- a) With reference to the case and other real case scenarios, provide a discussion on why organizations opt for reengineering and restructuring. **(8 marks)**
 - b) With reference to the case and other situations familiar to you explain the intricacies of restructuring and reengineering process. **(10 marks)**

- c) Explain the role played by top management in the restructuring and restructuring. **(8 marks)**
- d) Discuss in detail the reengineering strategies of the company under each phase. How effective are these strategies. **(10 marks)**
- e) Discuss the future prospects of the company. **(4 marks)**
- f) Compare the different turn around strategies employed by the two companies (Canon and Xerox). **(10 marks)**

END