



(University of Choice)

**MASINDE MULIRO UNIVERSITY OF SCIENCE AND TECHNOLOGY
(MMUST)
MAIN CAMPUS**

**UNIVERSITY REGULAR EXAMINATIONS
2021/2022 ACADEMIC YEAR**

THIRD YEAR SECOND SEMESTER EXAMS

FOR THE DEGREE OF

BACHELOR OF INFORMATION SYSTEMS AND KNOWLEDGE MANAGEMENT

COURSE CODE: BIK322

COURSE TITLE: STRATEGIC MANAGEMENT OF INFORMATION SYSTEMS

DATE: 19/04/2022 TIME: 12:00-14:00 PM

INSTRUCTIONS: Please attempt question one and any other two questions
TIME: 2 Hours

MMUST observes ZERO tolerance to examination cheating

Paper Consists of 3 Printed Pages. Please Turn Over



1) Question one (30 MARKS)

- a) Distinguish between the following concepts (10mks)
- i) Strategic advantage and competitive advantage
 - ii) Corporate strategy and Business Strategy
 - iii) Organization's Goals and corporate Objectives
 - iv) Corporate strategy and competitive strategy
 - v) Strategic Information Systems and Information System Strategy
- b) The result of the failure of a company to have an IT strategy in place is that information Systems may not be integrated thus causing duplication of effort, inaccuracy, delays and poor quality management information. Discuss why this is problematic (10mks)
- c) The value chain concept, developed by Michael Porter, views a firm as a series, chain, or network of basic activities that add value to its products and services and thus add a margin of value to both the firm and its customers.
- i) Distinguish between primary processes and support processes (2mks)
 - ii) Describe the role of Information Systems in both primary and support processes (8mks)

2) Question Two (20 MARKS)

Proper use of Information Systems can give an organization very effective competitive advantage in its marketplace. Consequently, IT/IS have become an indispensable component in modern organizations' competitive strategy.

- a) Distinguish between organization structure and functional structure. Give suitable examples to illustrate your answer (4mks)
- b) If you were conducting a SWOT analysis of your IT department, discuss the key factors you may consider (8mks)
- c) In developing your organization's competitive strategy, briefly explain how you would position IT/IS in the strategic plan (8mks)

3) Question Three (20 MARKS)

- a) In the context of Porter's strategies for competitive advantage, discuss how IS/IT can help a company dealing in FMCG gain competitive advantage (10mks)
- b) Enterprise systems have become instrumental for companies and organizations that wish to compete globally. Outline some of the enterprise applications involved and describe how they can enable an organization compete globally (10mks)

4) Question Four (20 MARKS)

- a) Integration and Data Administration are the fourth and fifth stages of Nolan's Organization life cycle respectively. Briefly, explain what transpires at these two stages and their relevance to IT/IS management (10mks)
- b) You are an IT Manager in an organization that is going through economic challenges and as a head of department, the management has directed you to cut down your budget. Briefly, discuss the options available to you for making your department viable (10mks)

5) Question five (20 MARKS)

Before an organization can begin strategy formulation, it must scan the external environment to identify possible opportunities and threats and its internal environment for strengths and weaknesses.

- a) Discuss how you would go about this task as an IT Manager or Head of ICT Department (8mks)
- b) Why might it be difficult to justify a strategic information system? (4mks)
- c) Discuss the FOUR elements of strategic planning (8mks)