MUEO

MOI UNIVERSITY

OFFICE OF THE DEPUTY VICE CHANCELLOR, ACADEMIC AFFAIRS, RESEARCH & EXTENSION

UNIVERSITY EXAMINATIONS 2015/2016 ACADEMIC YEAR

END OF SEMESTER EXAMINATION

FOR THE DEGREE OF MASTER OF BUSINESS ADMINISTRATION

EXAM CODE: MBA 898

COURSE TITLE: RESEARCH METHODOLOGY

DATE: 19TH FEBRUARY, 2016   TIME: 9.00AM – 12.00NOON

INSTRUCTIONS TO THE CANDIDATES

PLEASE TURN OVER

EXECUTIVE MASTER OF BUSINESS ADMINISTRATION- AVIATION

MBA 898: RESEARCH METHODOLOGY

Answer Question one and any other three questions

Q1. The following is a statement of the problem extracted from a thesis. Read the statement and answer the questions that follow:

Statement of the Problem

The basic problem affecting the relationship between strategy and corporate performance is anchored on the fact that strategy is ex ante, and is therefore based on prediction, and its implementation occurs while before validation by experience. Performance on the other hand is post ante and represents the after effect of a given strategy (Rumelt, Schendel & Teece, 1994). This raises the question of how a good strategy is to be judged and has remained a central issue in strategic management (Learned et al, 1969; Montgomery, 1979). To answer this question, various studies have been conducted to establish the linkages between strategy and performance. A major initiative in studies correlating strategy and performance is by SPI under PIMS program (Meng Leong, 2001).

In spite of extensive empirical research on PIMS principles, Anderson and Paine (1978) observed that PIMS studies have tried to demonstrate relationships between either one or a few variables correlated to performance, thus omitting certain key variables. Further, no studies have been done in an integrated model factoring in PIMS studies with similar works by industrial organizational economists (Paine, 1978; Nelson, 1994) and besides, PIMS study findings have tended to be over generalized (Jaworski, 1989) implying they may not apply in all contexts for example Kenya, unless an empirical study suggests so.

Kenya has characteristics that set it apart from developed countries where PIMS studies have been conducted and replicated. Some of these characteristics include inadequate and poor physical infrastructure, undeveloped distribution systems, weak production linkages, regulatory constraints (K'Obonyo, 1999) and corruption (Wanjui, 1986). The political environment is also characterized by fluid ethnic based brinkmanship politics that resulted in post election violence of 2007/2008 where many business operations were disrupted, assets destroyed and over 1300 lives lost (Waki, 2008).

This study therefore, represents an important contribution by replicating several key empirically ground PIMS variables as predictors of corporate performance in Kenyan context, while extending the measures of corporate performance to include non financial measures as per Kaplan and Norton's (1996) Balanced Score Card (Balanced Score Card performance model marries the past performance and future performance potential). The study also extends PIMS- corporate performance relationship studies, by incorporating other sets of moderating variables including contextual factors and strategic capabilities.

By incorporating PIMS principles, strategic capabilities, contextual factors and corporate performance variables in an integrated model, this study marries together SPI views on PIMS principles, evolutionary theorists views on dynamic capabilities and industrial organizational economist's views on corporate performance. This is a significant contribution towards an integrated theory of corporate performance.

The study thus sought to answer the following basic research questions: (1) *what relationship exists between PIMS principles and corporate performance in Kenyan context?* In other words, *what strategy, pursued under what conditions produces what results?* (2) *What is the influence of strategic capabilities on corporate performance in Kenyan context?* (3) *What influence does the Kenyan context have on corporate performance* and finally, (4) *if, indeed there is a relationship between PIMS principles and corporate performance in Kenya, how do contextual factors and strategic capabilities moderate the strength of this relationship?* This invaluable information which is useful in guiding managers in making critical strategic choice decisions, with bearing on performance is scarce in literature, especially in Kenyan context.

Hint: Assume moderating variables only have contributory effect.

   a) Suggest a relevant title for this research (3marks).
   b) Craft the objectives and research questions (10 marks)
   c) Construct a conceptual framework and explain variable relationships (10 marks).
   d) Formulate a mathematical model for the study (10 marks)
   e) Suggest and explain the appropriate research design that can be employed in this study (7 marks)

Q2.   Research scholars argue that critical literature review is the backbone of every quality research and that a study may not meet its desired ends if this fundamental task is not addressed.

   a) Explain at least five reasons why researchers spend a lot of time doing literature review (10 marks).
   b) Discuss the attributes of good literature review in a research project (10 marks).

Q3.   You have come across a group of students arguing on different methods of sampling. One group contends that non probability sampling is useless since findings from a study where it has been applied cannot be generalized. The other group counters that probability sampling is difficult to apply, and if it were the only method of determining the number of respondents then research discipline would be severely limited. Using examples discuss the merits and demerits of these arguments (20 marks).

Q4.   Compare and contrast the following concepts used in research and suggest their significance in research:

   a) Inductive Vs Deductive research (5 marks)
   b) Structured Vs In depth Interviews (5 marks)

c) Content Analysis Vs Analytic induction analysis (5 marks)

d) Measure of Central Tendency Vs Measure of Dispersion (5 marks)

Q5.   Explain the four levels of data measurement and suggest descriptive and inferential statistics that can be employed to analyze data under each level of measurement (20 marks).

Q6. The following is an extract of correlation analysis from a study on the predictive value of strategic capabilities on corporate performance. Study the coefficients and answer the following questions.

Table1: Correlations between Strategic Capabilities and Corporate Performance

Variable constructs		IT Capabiliti es Index	Manageme nt Capabilitie s Index	Marketin g Capabiliti es Index	Market Linking Capabiliti es Index	Technologic al Capabilities Index	Corporate performan ce
IT Capabilities Index	Pearson Correlati on	1					
	Sig. (2-tailed)	.					
	N	43					
Managemen t Capabilities Index	Pearson Correlati on	.560(**)	1				
	Sig. (2-tailed)	.000	.				
	N	43	43				
Marketing Capabilities Index	Pearson Correlati on	.479(**)	.630(**)	1			
	Sig. (2-tailed)	.001	.000	.			
	N	43	43	43			
Market Linking Capabilities Index	Pearson Correlati on	.581(**)	.596(**)	.742(**)	1		
	Sig. (2-tailed)	.000	.000	.000	.		
	N	43	43	43	43		
Technologic al Capabilities Index	Pearson Correlati on	.743(**)	.619(**)	.704(**)	.663(**)	1	
	Sig. (2-tailed)	.000	.000	.000	.000	.	
	N	41	41	41	41	41	
Corporate Performanc e	Pearson Correlati on	.675(**)	.630(**)	.738(**)	.711(**)	.735(**)	1
	Sig. (2-tailed)	.000	.000	.000	.000	.000	.
	N	43	43	43	43	41	43

** Correlation is significant at the 0.01 level (2-tailed).

a)   What does (**) represent   (2 marks).

b)   When is Pearson's product moment correlation best employed? (Hint: Level of measurement) (2 marks).

c)   What do correlations among predictor variables portend in terms of multicolinerity? (2 marks).

d)   Highlight the assumptions that should be satisfied when conducting Pearsonian correlations (4 marks).

e)   Interpret the findings of the correlation analysis (10 marks)