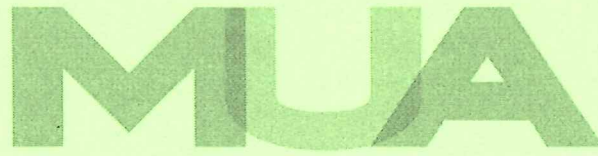


The
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UNDERGRADUATE UNIVERSITY EXAMINATIONS
SCHOOL OF MANAGEMENT AND LEADERSHIP
DEGREE OF BACHELOR OF MANAGEMENT AND LEADERSHIP

BMT 401 : MANAGERIAL DECISION MAKING

DATE: 7TH AUGUST 2024

DURATION: 2 HOURS

MAXIMUM MARKS: 70

INSTRUCTIONS:

1. Write your registration number on the answer booklet.
2. **DO NOT** write on this question paper.
3. This paper contains **SIX (6)** questions.
4. Question **ONE** is compulsory.
5. Answer any other **THREE** questions.
6. Question **ONE** carries **25 MARKS** and the rest carry **15 MARKS** each.
7. Write all your answers **in the Examination answer booklet provided.**

QUESTION ONE

Read the Case Study below carefully and answer the questions that follow:

VALUES FOR DECISION MAKING AT AMANI LTD

Amani Ltd is a local company with a strong presence in various counties in XYZ. The company's organizational values include integrity and transparency. The Company management have a challenge making a decision regarding an opportunity in one of the counties in XYZ. The decision requires careful evaluation of their organizational values.

The Company has identified a lucrative business opportunity in one of the counties, where they have proposed to set up a milk processing plant. The County government has offered substantial tax incentives and favorable regulatory regimes to attract investors. This venture promises Amani Ltd significant financial gains and a competitive advantage in the market.

However, while the financial prospects of the venture are good, there are environmental impact concerns. The establishment of the proposed milk processing plant has the potential to harm the environment. There are also concerns about exploitation of farmers as well as safety standards. Similarly, the identified County is known for lack of integrity. Securing necessary permits and approvals may require kickbacks.

The management faces a dilemma of balancing between financial gain and their organizational values. They acknowledge the importance of upholding these values and, therefore, engaged stakeholders to hear from them.

Amani Ltd decision-making process demonstrates the importance of values in decision making. By upholding their organizational values of integrity, transparency, and social responsibility, they aim to not only achieve financial success but also preserve the environment.

Required:

- a) Examine the organizational values that Amani Ltd considered when making the decision on the business opportunity in one of the counties in XYZ. **(3 Marks)**

- b) Analyse the steps Amani Ltd took in their decision making process to address the ethical concerns arising from the business opportunity in one of the Counties in ZYZ. **(12 Marks)**
- c) Evaluate the potential dangers for Amani Ltd if they had chosen financial gain over their organizational values in the decision. **(10 Marks)**

QUESTION TWO

- (a) Distinguish between rational and irrational behaviour in managerial decision making. **(6 Marks)**
- (b) Discuss the concept of maximizing and satisficing behaviours in rational decision making **(9 Marks)**

QUESTION THREE

- (a) Discuss the stages of group development in an organization. **(6 Marks)**
- (b) Assess the political aspects of decision making in organization. **(9 Marks)**

QUESTION FOUR

- a) Compare and contrast decision making and problem solving. **(9 Marks)**
- (b) Decision making is the single most important activity that managers do in an organization. Discuss this statement **(6 Marks)**

QUESTION FIVE

- Appraise the nature of strategic decisions in an organization. **(15 Marks)**

QUESTION SIX

- a) Once decisions are made, they must be implemented. Discuss the determinants of successful implementation of strategic decisions. **(6 Marks)**
- b) Describe four (4) networks used for communication in a group in Sociology of decision making. **(9 Marks)**