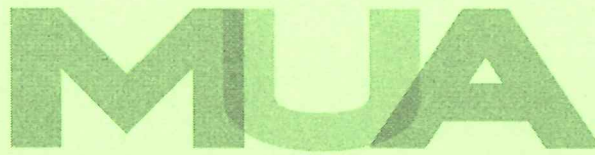


The
Management
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UNDERGRADUATE UNIVERSITY EXAMINATIONS

SCHOOL OF MANAGEMENT AND LEADERSHIP

DEGREE OF BACHELOR OF COMMERCE

BCM 226 : MANAGEMENT DECISION MODELS

DATE: 1ST 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:

A decision maker in an organization does not just make decision into the thin air. Every decision is based on solving a particular problem of the organization. The problem can involve performance of a particular task or executing a project. Traditionally, a problem is an unpleasant situation or something which creates worry, inconvenience and discomfort to the organizations. Hence, the decision makers first of all, identify the problem, define it, and then generate alternative courses of action for solving the problem. Decisions are then made on the choice of the alternatives which have the highest probability of solving the problem.

Recently, there is the emergence of a new concept in the decision-making and problem solving. This is the concept of 'nice decision' and 'unpleasant decision' problems. Nice decision problem is one which does not create worry, inconvenience or trouble to the decision maker, while, the unpleasant decision problem stands for a decision matter which creates, worry, inconvenience and trouble to the decision maker. These are elements of decision problems which provide joy and satisfaction to the decision maker. The decision maker relaxes happily while making the decision.

Decision making remains one of the most important functions of the decision maker. The success or failure of the organization depends, to a large extent, on the soundness and effectiveness of management decision making. Decision making involves a choice from many available alternatives. To choose the best alternative requires careful identification and deliberate assessment of all the other options. In the organization, the best decision is that which adds to the values of the organization. Decision makers are constantly engage in critical thinking and logical reasoning which enable them to make the right decisions at all the times. If the decision maker is short of making right decisions in their day to day functions, the organization decays.

Decision makers make different types of decision every day. Sometimes these decisions are complex and opposed to each other thus demanding a compelling experience in balancing act on the part of the decision maker. Some of the major

decisions the decision makers make on daily basis include (i) programmed and non-programmed decisions, (ii) major and minor decisions, and (iii) individual and group decisions.

Decision makers are to guard themselves against the decision traps which can lead them into wrong decisions. Wrong decisions are to be avoided at all times since they give rise to loss of resources, and waste of materials, and inability to achieve set goals and objectives.

Required:

- a. Explain how traditional approach to problem-solving and decision-making differ from the emerging concept of 'nice decision' and 'unpleasant decision' problems? **(4 Marks)**
- b. Discuss the role critical thinking and logical reasoning play in the day-to-day functions of decision makers **(3 marks)**
- c. Explain how decision makers balance conflicting and complex decisions, especially when faced with opposing alternatives? **(4 marks)**
- d. Elaborate how constant engagement in decision-making impacts the overall health and performance of an organization? **(6 marks)**
- e. Discuss the significance of major and minor decisions, as well as individual and group decisions, in the daily responsibilities of decision makers? **(8 marks)**

QUESTION TWO

- a. Discuss how the concept of adding value to the organization guides decision makers in choosing the best alternative from the available options? **(4 marks)**
- b. Explain programmed and non-programmed decisions that decision makers commonly face in their daily functions **(6 marks)**
- c. Success or failure of an organization depends on the soundness and effectiveness of management decision-making. Explain **(5 marks)**

QUESTION THREE

- a. With relevant examples from a company of your choice, explain Phases of Decision Making Process. **(7 marks)**
- b. Examine four functions of systems in an organization. **(8 marks)**

QUESTION FOUR

- a. The strategic management process encompasses three phases-strategy formulation, implementation, and evaluation and control. Discuss **(10 marks)**
- b. Evaluate five Environmental factors that can affect an organization's decision Strategy **(5 marks)**

QUESTION FIVE

Conceptually, strategy of a firm consists of two inseparable parts: business strategy and corporate strategy.

- a. Distinguish between business strategy and corporate strategy. **(6 marks)**
- b. Examine three elements considered in developing and formulating strategies for a firm **(9 marks)**

QUESTION SIX

- a. Explain with example the terms Mission, the Vision, and the Strategic Intent Statements. Why and when is there likely to be conflict between them? **(10 marks)**
- b. Explain five circumstances under which you would recommend an organization to adopt 'freewheeling opportunism' **(5 marks)**