

**UGANDA MARTYRS UNIVERSITY**  
**FACULTY OF BUSINESS ADMINISTRATION AND MANAGEMENT**  
**BUSINESS POLICY BAM III**  
**SEMESTER I FINAL EXAMINATION**

**DATE 18<sup>TH</sup> December 2012**

**INSTRUCTIONS**

**ANSWER ANY FOUR QUESTIONS:**

**ALL QUESTIONS CARRY EQUAL MARKS**

**TIME: 3 HOURS**

- 1 a) What is strategic management?  
b) Discuss the guidelines for strategic management, using illustrations.
- 2 a) Does strategic management have any advantages to an organization?  
b) Evaluate the main components of strategic management.
- 3 a) Describe the corporate environment.  
b) What are the characteristics of the corporate environment?  
c) Identify and explain the main components of the corporate environment. Give examples.
- 4 a) What is the meaning of the term decision-making?  
b) Describe the decision-making steps in organizations, using examples.  
c) Evaluate the main approaches to decision-making.
- 5 a) Describe the term distinctive competence as used in strategic management.

b) Identify and explain the main sources of distinctive competences in business organizations.

6. Evaluate Mckinsey's (7s) Model in the context of strategic management.

7. Write short notes on *any six* of the following terms.

- A. Scenario planning and staff vote.
- B. Liquidity risk and performance tuning.
- C. The 6 Ms
- D. Policy formulation and strategy.
- E. Related businesses and un-related businesses.
- F. Factor inputs and factor markets.
- G. Programmed decisions and non-programmed decisions.
- H. The general decision-making model.
- I. Strategic control and competitive advantage.
- J. Resources and capabilities
- k. Liquidity risks and return on investment.