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**INSTITUTE OF BANKERS IN MALAWI**

**ADVANCED DIPLOMA IN BANKING EXAMINATION**

**SUBJECT: STRATEGIC MANAGEMENT (IOBM –AD313)**

**Date: Tuesday, 30th April 2013**

**Time Allocated: 3 hours (08:00 – 11:00 am)**

**INSTRUCTIONS TO CANDIDATES**

1 This paper consists of **TWO** Sections, A and B.

2 Section A consists of 4 questions, each question carries 15 marks. Answer **ALL** questions.

3 Section B consists of 4 questions, each question carries 20 marks. Answer **ANY TWO** questions.

4 You will be allowed **10 minutes** to go through the paper before the start of the examination, you may write on this paper but not in the answer book.

5 Begin each answer on a new page.

6 **Please write your examination number on each answer book used. Answer sheets without examination numbers will not be marked.**

7 **DO NOT** open this question paper until instructed to do so.

**SECTION A (60 MARKS)**

**Answer ALL** questions in this section

**QUESTION 1**

1. Briefly explain the overall objective of government`s road safety policy which has been put in place and strategies used to achieve this objective. (*6 marks)*

1. Briefly explain the **three** stages of strategic analysis. (*9 marks)*

**(Total 15 marks)**

**QUESTION 2**

1. Describe **three** classifications of corporate objectives and give one example on each class. (*9 marks)*

1. Give any **three** main reasons why planning is important***.*** *(6 marks)*

**(Total 15 marks)**

**QUESTION 3**

Any business in any sector anywhere is likely to be affected by GLOBALISATION. Briefly explain **five** factors why Customers, Suppliers, Financial providers, Governments and Competitors are unlikely to be confined to one country. **(Total 15 marks)**

**QUESTION 4**

1. Attention has to be paid to key cost drivers, if at all cost is to be managed. Describe the **four** drivers to be considered in cost cutting measures. (*12 marks)*

1. Role culture is related to APOLLO, the god of the role culture or bureaucracy. Everything orderly and legitimate and there is presumption of logic and rationality. Why is there a presumption of logic and rationality? (*3 marks)*

**(Total 15 marks)**

**SECTION B (40 MARKS)**

Answer **ANY** **TWO** questions from this section.

**QUESTION 5**

Establishing objectives is a decentralized activity that directly involves all managers in an organization. Active participation in establishing annual objectives can lead to acceptance and commitment because annual objectives are essential for strategy implementation, Discuss. **(Total 20 marks)**

**QUESTION 6**

1. Briefly describe any **two** ways how change affects individuals***.***  *(8 marks)*

1. Explain any **four** ways on how change affects individual’s self-concept radically.

*(12 marks)*

**(Total 20 marks)**

**QUESTION 7**

To determine the firm`s long-term vision, managers must take a sufficient amount of time to think about how it should be framed. Discuss this statement in connection to Determining the strategic direction of a firm. **(Total 20 marks)**

**QUESTION 8**

Another way in which managers can keep organizational hierarchy flat is by decentralizing authority to lower-level managers and non-managerial employees. Discuss Centralization and Decentralization of Authority. **(Total 20 marks)**

**END OF EXAMINATION PAPER**