



PAN AFRICA CHRISTIAN UNIVERSITY

**SCHOOL OF LEADERSHIP BUSINESS AND INFORMATION
TECHNOLOGY**

DEPARTMENT OF LEADERSHIP

**END OF SEMESTER EXAMINATION FOR DIPLOMA IN
LEADERSHIP AND MANAGEMENT**

COURSE CODE – DLM 111

COURSE TITLE: PROBLEM SOLVING AND DECISION MAKING

EXAM DATE: 9TH APRIL 2018

TIME 5.00 PM

Duration - 3 hours

INSTRUCTIONS

- Read all questions carefully.
- Write your registration number in the space provided on the answer book
- ANSWER All questions in Section A and ONE questions from section B

SECTION A: Answer ALL questions in this Section.

1. a) Define the term “Decision making” (2 marks)
b) Explain the relationship between “Decision making” and “Problem solving” (4 marks)
c) Give **two** purposes for studying Problem Solving and Decision Making. (4 marks)
2. a) Explain the importance of a “Purpose Statement” in the preparation of criteria for problem solving and decision making. (4 marks)
b) Formulating the problem is as important as finding the right solution. Describe the **three** basic elements found in sound problem diagnosis. (6 marks)
3. a) The sophistication and complexity of the method to be used to evaluate alternatives for decision making is affected by several factors. State and explain **two** factors. (4 marks)
b) Explain any **three** of the following steps towards analysing of the problem: (6 marks)
 - i. Finding the “crucial dimensions” of the problem
 - ii. Dividing the problem or any information about it into distinguishable parts
 - iii. Looking at the problem from a completely different perspective
 - iv. Drawing a map or a picture of the different pieces of the problem
 - v. Using a chain diagram

SECTION B: Answer only ONE question from this section

4. a) Explain how the readiness level of followers affects the quality of leadership decision. (4 marks)
b) Describe **three** decision styles used by management to process decisions (6 marks)
5. Explain **any two** of the following approaches to simplify comparison of alternatives: (10 marks)
 - a. Focusing on the differences
 - b. Stating the difference in terms of shillings
 - c. Simplifying projection of intangibles
 - d. Narrowing the number of alternatives
 - e. Concentrating on crucial factors
6. a) To identify effective alternatives for decision making, a person must define the alternatives in the light of organisation goals. Explain why this is important. (4 marks)
b) Decision making should address significant consequences in addition to financial and other internal organisation needs. Explain the meaning of “significant consequences” and give **three** examples in relation to the organisation. (6 marks)