PAN AFRICA CHRISTIAN UNIVERSITY

END OF SEMESTER EXAMINATION FOR THE DEGREE OF MASTER OF BUSINESS ADMINISTRATION

SEPTEMBER-DECEMBER

CAMPUS: ROYSAMBU-EVENING

DEPARTMENT: BUSINESS STUDIES

COURSE CODE: STM 602 ON-LINE

COURSE TITLE: STRATEGIC BEHAVIOUR AND LEADERSHIP

EXAM DATE: DECEMBER 2024

TIME: 6.00PM- 9.00PM

INSTRUCTIONS

- Read all questions carefully before attempting.
- Answer question 1 and any other three questions.

SECTION A: Question One (Compulsory)

Howard Schultz's strategic vision and unwavering commitment have been key to his remarkable success. He transformed the company into a global powerhouse by infusing innovation into Starbucks. What sets Schultz apart is his ability to prioritize long-term goals over short-term gains, allowing him to make bold moves that drive sustainable growth. His leadership style centers around building a solid organizational culture that fosters creativity, inclusivity, and a passion for excellence. Schultz's strategy can offer valuable insights into enhancing a leaders strategic leadership capabilities. By incorporating elements such as strategic planning, understanding leadership preferences, and leveraging senior executives' expertise, one can navigate the complexities of strategic management and chart a course toward success. Schultz's approach paves the way for effective strategic leadership and long-term business growth.

Required

a) Describe four individual characteristics that have propelled Howard Schultz to the list of renowned strategic leaders in the corporate world today. **(4 marks)**

b) Critically analyze the impact of strategic leadership on organizational performance with reference to the success story of Starbucks company **(6 marks)**

SECTION B: Answer any three Questions

Question Two

a) Changes at the top management often elicit uncertainty and fear among the followers. Outline four causes of CEO turnover giving relevant examples in global companies **(4 marks)**

b) High executive turnover affects a company's overall performance. Explain three strategies used by agile organizations to reduce this trend. **(6 marks)**

Question Three

a) Boards of Directors are an integral part of any organization. Briefly describe four types of boards commonly found in multinational companies **(4 marks)**

b) Monitoring of executive performance is one of the roles of Boards of Directors. Explain three factors which can greatly enhance Boards of Directors' vigilance on top management performance **(6 marks)**

Question Four

a) Compensation of executives is paramount to the success of any organization. Explain any four key components of executive compensation giving relevant examples in the corporate world. **(4 marks)**

b) Global business dynamics necessitate planning for a competitive remuneration package for the executives. Describe three factors used in determining executive compensation in today's competitive global market. **(6 marks)**

Question Five

a) Effective decision making is the hallmark of successful global leaders. Outline four factors that influence executive discretion in a given situation giving relevant global examples **(4 marks)**

b) Top management teams offer strategic direction in any given organization. Explain the three elements of top management teams in successful multinational companies **(6 marks)**

Question Six

a) The leadership style adopted by a leader is key to the organizational performance. Differentiate transactional leaders from transformational leaders citing relevant characteristics of each type of leadership style. **(4 marks)**

b) Situational leadership is being embraced by many leaders in a turbulent global market. Explain the role of adaptive leadership as a bounce back strategy for firms affected by the current global economic recess **(6 marks)**

THE END