



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 leader's 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
marks)

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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