



NATIONAL OPEN UNIVERSITY OF NIGERIA
Plot 91, Cadastral Zone, Nnamdi Azikiwe Express Way, Jabi - Abuja
FACULTY OF MANAGEMENT SCIENCES
2020_2 EXAMINATION

COURSE CODE: MBA 881

COURSE TITLE: Business Policy

CREDIT UNIT: 3

INSTRUCTION:

1. Indicate your Matriculation Number clearly
2. Attempt question one (1) and any other three (3) questions; four questions in all
3. Question one (1) is compulsory and carries 25 marks, while the other questions carry 15 marks each.
4. Present all your points in a coherent and orderly Manner

TIME ALLOWED: 2½ Hours

Question 1

- (a) Distinctively identify the policy and decision issues in the following statement and justify your answer:

“Employees of our company have a duty of ensuring that assets are used diligently and professionally. New assets can only be procured when maintenance is not feasible. The procurement, when necessary, must follow due process to secure proper authorization. The procurement of a new machine by our CEO in 2019 was therefore completely wrong”.

10marks

- (b) You have just been appointed to chair a newly constituted management committee in your company. The mandate of the committee is to examine the prevailing remuneration policy in the company and recommend possible reforms. You are required to draw up a table of principles or a check-list to guide your committee’s assignment.

9marks

- (c) In what specific ways can the acceptability of policies be enhanced in a firm?

6marks

Question 2

- (a) Identify and succinctly explain the four different but interlocking phases in the evolution of Business Policy as a field of study and as a business practice.

8marks

- (b) The half-year report of NOUN Plc., a publicly listed consumer goods firm based in Nigeria, shows that the company’s market share 2020 was down by more than 50 percent as at the end of June 2020. From a business policy perspective, what are the likely reasons that can be fundamentally inferred to this?

7marks

Question 3

(a) In an organisational hierarchy, business policies are likely to emanate from top level to lower level management and vice versa, or from other key sources. Highlight and discuss at least four of the key channels through which business policies can originate.

8marks

(b) The feasibility and efficacy of a policy is tied to a number of factors. Succinctly highly and discuss these factor.

7marks

Question 4

(a) Policies are hierarchical and do not exist in silos. They are found at all levels of an organization. Discuss the tenacity of this statement using hypothetical examples and the Steiner's Pyramid of Business Policies.

7marks

(b) Certain specific members of a company qualify to be referred to as 'strategists'. Identify at least four of such individuals and explain their specific functions. Support you answer with valid examples.

8marks

Question 5

(a) Hypothetically elaborate on the strategic management choices of any of the top commercial banks in Nigeria, based on the framework of Classical School of thought.

7marks

(b) The elements of strategic management, which include reaching consensus on corporate objectives; developing a plan for achieving the objectives; and marshalling and allocating the resources required to implement the plan are linearly related and can be consecutively applied. Pointedly validate or contrast the truism of this statement.

8marks

Question 6

(a) Distinctively explain the concepts of Strategic Intents, Stretch, Leverage and Fit

7marks

(b) You have been invited to guide the Board of Directors in your company to develop a mission statement for a company in which you serve as an operations manager. Give three alternative examples of a mission statement that can be presented to the Board. Provide a set of principles that can be applied by the Board in evaluating or benchmarking the quality of the prospective mission statement.

8marks