



ICM

DECEMBER 2016

STRATEGIC MANAGEMENT

Instructions to candidates:

- a) Time allowed: Three hours (plus an extra ten minutes' reading time at the start – do not write anything during this time)
 - b) Answer any FIVE questions
 - c) All questions carry equal marks. Marks for each question are shown in []
1. Review the relationship between **annual objectives** and **policies** and explain the contribution of both to the effective operation of a business. [20]
 2. Analyse the approaches that an organisation can adopt to link organisation pay and performance. [20]
 3. There are many situations in which the total worth of a business will need to be established. Review the approaches typically used to establish the total worth of a business. [20]
 4. Explain the financial and non-financial benefits that are associated with adopting a strategic planning process. [20]
 5. The use of financial ratios in assessing organisational performance is now a widely adopted practice. Analyse:
 - a) the main ratios used to assess organisational performance [10]
 - b) the weaknesses associated with ratio analysis [10]
 6. Evaluate the reasons often put forward by organisations for not engaging in strategic planning. [20]
 7. Review the impact of organisational culture on the choice of strategy by an organisation. [20]
 8. Analyse the key defensive strategies that an organisation has available. [20]