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**SCHOOL OF ACCOUNTING AND BUSINESS**  
**BSc. (APPLIED ACCOUNTING) GENERAL / SPECIAL DEGREE**  
**PROGRAMME**

**YEAR I SEMESTER II (Group A)**  
**END SEMESTER EXAMINATION – DECEMBER 2014**

**MGT 10225 Principles of Management**

Date : 15<sup>th</sup> December 2014  
Time : 9.00 a.m. – 11.30 a.m.  
Duration : Two and Half (02 1/2) Hours

**Instructions to Candidates:**

- This paper consists of three sections (A, B and C).
- Section A – Answer **all** the questions in the sheet provided.  
Section B – Answer **four** questions out of the five questions given.  
Section C – Answer **one** question out of the two questions given.
- The total marks for the paper is 100.
- The marks for each question are shown in brackets.
- Answers should be written neatly and legibly.

## **SECTION A**

Answer **ALL** questions

**Underline the most appropriate answer.**

1. Who in an organization is responsible for setting the organizational climate and influencing the internal corporate culture?
  - a. Top managers
  - b. Middle managers
  - c. First-line managers
  - d. Functional managers
  - e. General managers
  
2. Which of the following is ***not*** a management principle developed by Weber?
  - a. Positions organized in a hierarchy of authority
  - b. Administrative decisions recorded in writing
  - c. Each subordinate should receive orders from only one superior
  - d. Separation of ownership from management
  - e. Proper system of rules and regulations
  
3. The government has required all the manufacturing organizations to upgrade the safety equipment used for manufacturing purposes in order to ensure proper standards. Which dimension of the external environment has influenced due to these upgrades?
  - a. Natural dimension
  - b. Technological dimension
  - c. Legal and political dimension
  - d. Economic dimension
  - e. Global dimension

4. One of the limitations of Management by Objective (MBO) is;
  - a. It does not motivate employees
  - b. Performance cannot be improved at all levels
  - c. It does not assist in aligning individual goals with company goals
  - d. It requires good employer-employee relations
  - e. It does not lead to goal attainment
5. Which one of the following is a contemporary approach of departmentalization?
  - a. Team approach
  - b. Geographical approach
  - c. Functional approach
  - d. Divisional approach
  - e. Matrix approach
6. Which management style reflects a low amount of concern for both people and production?
  - a. Middle of the Road Management
  - b. Country Club Management
  - c. Impoverished Management
  - d. Authority-Compliance
  - e. Team Management
7. The technique of incorporating high level motivators into the work, including responsibility, recognition and opportunities for learning and growth is known as;
  - a. Job enlargement
  - b. Job rotation
  - c. Job enrichment
  - d. Job simplification
  - e. Job lay off

8. Select the correct combination.
- a. Downward communication – Financial and accounting information
  - b. Upward communication – Performance reports
  - c. Horizontal communication – Implementation of goals and strategies
  - d. Team communication – Grievances and disputes
  - e. Personal communication – Job instructions and rationale.
9. Which one of the following is **not** a technique of Total Quality Management (TQM)?
- a. Six Sigma
  - b. Continuous improvement
  - c. Benchmarking
  - d. Quality Circles
  - e. Reduced lead time
10. The type of justice that requires rules to be clearly stated and to be enforced consistently and impartially is;
- a. Distributive justice
  - b. Procedural justice
  - c. Compensatory justice
  - d. Ethical justice
  - e. Conventional justice

**(Total 10 Marks)**

## **SECTION B**

Answer only **FOUR** questions

### **Question No. 01**

- a. Distinguish between ‘organizational effectiveness’ and ‘organizational efficiency’.  
(4 Marks)
  - b. State two (2) contributions and two (2) criticisms of Scientific Management approach.  
(4 Marks)
  - c. Describe three (3) causes of managerial failure in rapidly changing organizations.  
(6 Marks)
  - d. The post World War II period saw the rise of several new ideas that are a part of modern management. Briefly explain two (2) such new approaches of management thinking.  
(6 Marks)
- (Total 20 Marks)**

### **Question No. 02**

- a. Briefly explain two (2) techniques for effective delegation of authority in an organization.  
(4 Marks)
  - b. Distinguish between classical and administrative models of decision making.  
(4 Marks)
  - c. Compare and contrast authority, responsibility and accountability.  
(6 Marks)
  - d. ‘The importance of planning is growing in today’s turbulent environment’.  
Justify this statement by highlighting three (3) benefits of planning.  
(6 Marks)
- (Total 20 Marks)**

### **Question No 03**

- a.
- i. Define the term ‘drop off’ in communication.
  - ii. State two (2) ways of dealing with drop off in an organization.
- (4 Marks)
- b. Briefly explain how goal setting theory can lead to motivation.
- (5 Marks)
- c. Open communication is a recent trend that can be seen in organizations.
- i. Outline what is meant by ‘open communication’.
  - ii. State three (3) reasons to highlight the importance of open communication.
- (5 Marks)
- d. Compare and contrast Maslow’s hierarchy of needs and Alderfer’s ERG theory.
- (6 Marks)
- (Total 20 Marks)**

### **Question No 04**

- a. State three (3) traits of effective leaders.
- (3 Marks)
- b. Illustrate the relationship between quality and profitability performance.
- (5 Marks)
- c. Describe two (2) modern systems of control that can be used during turbulent times.
- (6 Marks)
- d. Distinguish between hierarchical and decentralized control philosophies in terms of;
- i. Basic assumptions
  - ii. Actions
  - iii. Consequences
- (6 Marks)
- (Total 20 Marks)**

**Question No 05**

- a. Briefly explain the two (2) levels of corporate culture.  
(4 Marks)
- b. Organizations face increased uncertainty in relation to competition, customers, suppliers and government regulations. Briefly describe two (2) strategies that can be used by managers to adapt to these changes in the organizational environment.  
(4 Marks)
- c. Briefly explain three (3) approaches that can be used for ethical decision making.  
(6 Marks)
- d. Explain the concept of total Corporate Social Responsibility with the help of a diagram.  
(6 Marks)
- (Total 20 Marks)**

**SECTION C**

Answer only **ONE** question

**Question No. 01**

‘Recent trends in the field of management have created a challenging environment for organizations’. Comment on this statement by highlighting the most prominent management trends of the 21<sup>st</sup> century.

**(10 Marks)**

**Question No. 02**

‘Whenever people work together in teams, some conflict is inevitable’. Comment on this statement by highlighting the main causes of team conflict.

**(10 Marks)**