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

**YEAR I SEMESTER II – INTAKE VII (GROUP B)**  
**END SEMESTER EXAMINATION – JULY 2017**

**MGT 10125 Principles of Management**

Date : 7th July 2017  
Time : 5.30 p.m. - 8.00 p.m.  
Duration : Two and a Half (02 ½ ) hours

**Instructions to Candidates:**

- This paper consists of three sections (A, B and C).
- Section A – Compulsory.  
Section B – Compulsory.  
Section C – Answer only **four (04)** questions.
- 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** the questions

### **Question No. 01**

Select the most appropriate answer

1. The role that best describes a manager's ceremonial and symbolic duties such as greeting visitors, signing legal documents etc. is;
  - a. Leader
  - b. Liaisor
  - c. Figurehead
  - d. Monitor
2. The corporate culture that is characterised with external strategic focus and stability needs of the environment is;
  - a. Adaptability Culture
  - b. Achievement Culture
  - c. Clan Culture
  - d. Bureaucratic Culture
3. Wage incentives can be used effectively to increase the output levels of workers under the concept of "economic man" was suggested by:
  - a. Classical Perspective
  - b. Humanistic Perspective
  - c. Management Science Perspective
  - d. Human Resource Perspective
4. Visible manifestation of corporate culture **does not** include;
  - a. Expressed Values
  - b. Stories
  - c. Slogans
  - d. Ceremonies

5. The unbroken line of authority that links each and every individual in an organisation and their reporting relationships is known as:
  - a. Unity of Command
  - b. Span of Control
  - c. Chain of Command
  - d. Line Relationship
  
6. The organizational structure that utilises the functional and divisional chains of command simultaneously is;
  - a. The Divisional Structure
  - b. The Matric Structure
  - c. The Team Based Structure
  - d. The Virtual Network Structure
  
7. The leaders' power that stems from their specialised knowledge and skills regarding the tasks performed by subordinates is known as;
  - a. Reward Power
  - b. Expert Power
  - c. Referent Power
  - d. Legal Power
  
8. Which reinforcement tool best describes the removal of an unpleasant consequence following a desired behavior?
  - a. Positive reinforcement
  - b. Negative reinforcement
  - c. Extinction
  - d. Punishment
  
9. The job design that systematically moves employees from one job to another which provides them with variety and challenge, is known as;
  - a. Job Enlargement
  - b. Job Enrichment
  - c. Work Redesign
  - d. Job Rotation

10. Which of the following perspective is **not** a criteria under the Balanced Scorecard system of control?

- a. External Environment Perspective
- b. Financial Perspective
- c. Internal Business Process Perspective
- d. Learning and Growth Perspective

**(1.5 Marks\* 10 =Total 15 Marks)**

### **Section B**

Answer **ALL** the questions

#### **Question No. 02**

##### **Strategic Planning at the Illusion**

Jerry Sebastian, is owner of The Illusion, a nightclub in a large city. For over 25 years, it has been a top night spot, attracting good crowds with live top-name entertainment. Jerry was proud of the fact that “all the big acts had played The Illusion at one time or another.”

During the last five years, however, business has been declining steadily. Jerry, has spent a great deal of his time during the last six months trying to identify the causes of the problem and possible solutions to it. He has identified what he believe to be three changing environmental forces which are severely threatening his club.

1. ***Social*** - Rising crime rates in the inner city are causing people to avoid coming into the city at night and on weekends.
2. ***Competition for resources*** - One of The Illusion’s chief resources is entertainers. Unfortunately, entertainer fees are skyrocketing. This is because television competes for the same resources, and an entertainer can make for appearing on one TV special than for doing two shows a night for a week at The Illusion.
3. ***Competition for clients*** - Better TV programming and more successful movies are taking customers away.

Jerry, believes that it will be necessary for him to find new ways for attracting people and reducing nightclub costs.

**Required:**

- I. Is Jerry Sebastian, facing a problem in strategic planning? Why?  
(05 marks)
  - II. Are there any other possible environmental changes which Jerry has not considered? What are they?  
(10 marks)
  - III. What advice would you give Jerry? Why?  
(10 marks)
- (Total 25 Marks)**

**Section C**

Answer **Four (04)** Questions Only

**Question No. 03**

The concept of management has evolved to include managing a virtual business without any physical existence. Managing businesses is a challenge due to the dynamic nature of the business environment. This requires managers to be equipped with competencies and business sense.

- I. Compare the new workplace and the old work place in terms of ;
    - a. Characteristics  
(01 Mark)
    - b. Management competencies.  
(02 Marks)
  - II. Define the three managerial skills that are essentially important for every manager.  
(03 Marks)
  - III. Scientific Management has both positive and negative implications for managers. Evaluate the scientific approach to management.  
(04 Marks)
  - IV. Describe the underlying assumptions of Douglas McGregor's Theory X and Y.  
(05 Marks)
- (Total 15 Marks)**

#### **Question No. 04**

Planning is the starting point of management process. Planning will assist in proper implementation of the rest of the managerial functions. Planning in turbulent time is essentially important due to the less predictability of business environment.

- I. What are the three types of plans available in every organisation?  
(01 Mark)
  - II. Briefly explain the three types of plans mentioned above.  
(03 Marks)
  - III. What relationships do you see between organizational goals and plans?  
(05 Marks)
  - IV. Critically evaluate the Management By Objectives (MBO) approach for planning.  
(06 Marks)
- (Total 15 Marks)**

#### **Question No. 05**

Decision making in an organisation is important and challenging. The decision making is costly and critical for the survival of the organisation. Most managers have to make decisions under uncertainty.

- I. What are the six steps involved in the Managerial Decision Making Process.  
(02 Marks)
  - II. What are the characteristics of a High Quality Information system.  
(03 Marks)
  - III. Define programmed and non- programmed decisions.  
(04 Marks)
  - IV. Evaluate the classical and administrative models of decision making.  
(06 Marks)
- (Total 15 Marks)**

### **Question No. 06**

Leadership is the ability to influence the behaviour of the subordinates to achieve the set goals. Leadership is a skill that can be developed by every individual. Leading the change is the most essential talent modern leaders need to improve.

I. Differentiate between the Manager and Leader

(04 Marks)

II. Describe the Blake and Mouton's Leadership Grid and suggest the best approach for effective leaders.

(05 Marks)

III. "Legitimate Power is the most important source of power to be an effective leader". Critically evaluate the given statement.

(06 Marks)

**(Total 15 Marks)**

### **Question No. 07**

The modern businesses are challenged with task of being good corporate citizens. Being a good corporate citizen requires the organisations to involve in Corporate Social Responsibility Activities (CSR).

I. What is Corporate Social Responsibility (CSR)?

(04 Marks)

II. What are the approaches for Corporate Social Responsibility Activities (CSR)?

(05 Marks)

III. Business ethics are important for being a good corporate citizen. Describe three approaches for ethical decision making.

(06 Marks)

**(Total 15 Marks)**

**Question No. 08**

Write Short notes on following.

- I. Total Quality Management (TQM)
- II. Business Process Outsourcing (BPO)
- III. Upward Communication
- IV. Delegation
- V. Quality Circles

**(3 Marks\*5 =Total 15 Marks)**