

**THE PRESBYTERIAN UNIVERSITY OF EAST AFRICA**

DEPARTMENT OF BUSINESS STUDIES

END OF SEMESTER EXAMINATION

**MGT 102/003: PRINCIPLES AND PRACTICES OF MANAGEMENT**

CAMPUS: KIKUYU DATE: 11th DECEMBER 2014 TIME: 2 - PM

**QUESTION ONE IS COMPULSORY** Attempt two others. 2 hours

**Question One**

1. Motivation is significant in an organizational productivity. Discuss the Maslow hierarchy of needs in demonstrating motivation. (10 Marks)
2. Discuss the Manager’s roles. (10 Marks)
3. Write short notes on: Job analysis and Delegation. (10 Marks)

**Question Two**

In management, different issues are handled differently. State and explain the different levels of Management. (15Marks)

**Question Three**

Write short notes on:

1. Management principles. (5 Marks)
2. Objective, objectives and multiplicity of objectives. (10 Marks)

**Question Four**

1. The performance of an organization depends on the leadership. Discuss the four key leadership styles. (8 Marks)
2. Explain the decision making process. (7 Marks)

**Question Five**

Discuss the management functions that bring out the meaning of management. (10 Marks)

**MARKING SCHEME**

**QUESTION ONE**

1. Maslow hierarchy of needs

* .Basic needs (Physiological needs)
* .Safety needs
* .Social needs
* Esteem needs
* Self-actualization

1. The manager’s roles are:

* Interpersonal roles
* Informational roles
* Decisional roles

c.

Job Analysis

**JOB SPECIFICATION**

Qualification to do the job

1. Education
2. Experience
3. Training
4. Judgment
5. Initiative
6. Physical effort
7. Physical skills
8. Responsibility
9. Communication skills
10. Emotional characteristics
11. Special demands (sight, smelling, hearing etc)

**JOB DESCRIPTION**

1. Job title
2. Location
3. Job summaries
4. Duties
5. Machines equipment, tools
6. Materials and forms used
7. Supervision
8. Working conditions
9. hazards

**Question two**

1. The key leadership styles include:

* Autocratic leadership style.
* Democratic leadership style.
* Leizessfair leadership style.
* Bureaucratic leadership style.

1. The Decision-making process

This is making a choice of action by means of which a manager seeks to achieve the organization’s goals

The process has five major steps.

Identify an alternative

Follow-up

Select alternatives & implement decision

Evaluate alternatives

Define the problem

Problem is the difference between actual and desired status.

Step 1: Define the problem

In a decision –making process, the problem must be established. This is the difference between actual and desired; “actual” refers to how things are presently and “ desired” refers to one’s objective or goal.

Step 2: Identify alternatives

This step identifies alternatives for closing the gap between actual and desired. The alternatives must be reasonable-there is no sense wasting time on useless solutions. Time and money always restrict the range of alternatives but what is an impractical alternative at one time may become a practical one later.

Step 3: Evaluate alternatives

After identifying the best alternative, the manager must evaluate them. An intelligent appraisal requires detailed information on each alternative. These must be done in turn, through asking three key questions; “will this alternative solve the problem as defined? Could a potential solution to the problem jeopardize another organizational goal? Is time and money available to implement this alternative?”

The evaluation often requires projections and predictions. Not one method for forecasting the future is perfect and further into the future the predictions go, the greater will be the probability of error. Collecting effective and having reliable data is the key to minimizing the possibility of error.

Step 4: Select an alternative and implement the decision

A manager decides on one alternative to put into action. Unsuccessful implementation demands a manager’s full commitment, the willingness to devote his/her managerial skills and the group’s resources to making the chosen course of action succeed. Managers may find their interpersonal skills tested by the need to motivate subordinates to support the decision.

Step 5: Follow up on implementation

This is the final step on decision-making and is to follow up on implementation. A manager must make certain that his/her group carries out the decision after the initial enthusiasm and thrust have ended. A manager must also monitor the results to determine whether the decision is having the planned effect. Monitoring measures the results against the goals.

Answer three

The management function include:

There are five management functions; planning, organizing, coordinating, leading/staffing and directing and controlling

Answer four

In an organization, management is classified according to the rank or authority of the positions within it. The different levels of management include:

CEO

Assistant manager

Supervisors

TOP MANAGERS

Managers at the very top levels of the hierarchy are ultimately responsible for the entire organization, they are few in number and their titles include: Managing Director (MD), Chief executive officer (CEO), president, vice president, executive director, vice executive director.

The top managers are responsible of the middle level managers and the overall planning for the organization, work to some degree with the middle managers in the implementation of plans and maintain overall sight over the progress of the organization.

MIDDLE MANAGERS

Managers beneath the top levels of the hierarchy who are directly responsible for the work of the managers below them, they have responsibility over the first line managers/supervisors. The middle level managers are referred to as operational managers, administrative managers; Heads of Department (HoD), divisional head etc.

These managers work longer hours than any other mangers in the organization as they seek to implement whatever has been developed by the top managers.

FIRST LINE MANAGERS/SUPERVISORS

Managers at the lowest level in the hierarchy are directly responsible for the work of operating (non Managerial) employees. These managers are simply known as supervisors. First line managers are extremely important to the success of an organization because they have the responsibility. These managers are responsible for the day to day running of the business.

MANAGERIAL SKILLS.

There are key skills that a good manager must possess; human skills, technical skills and conceptual skills. Human skills are the ability to work with and for the people, to communicate with others and to understand other’s needs. Technical skills is the ability to use the tools, equipment, procedures and techniques of specialized field and conceptual skills is the ability to understand all the organization’s activities, how its various parts fit together and how the organization relates to others.

The CEO must have excellent conceptual skills to manage an entire organization, human skills are important to him/her too but having strong technical skills become less and less critical as one move up the hierarchy.

The middle manager needs a balanced mix of all the three types of skills; human skills to work with people above and below in the hierarchy, technical skills to deal with day to day operational problems and conceptual skills to manage relationships among departments.

Answer five

(a)

In order to satisfy customers and the people that managers lead, they must implement the following principles and techniques;

1. Establish customer-satisfaction goals.
2. Give decision-making authority to customer-service worker’
3. Thoroughly screen applicants for customer-service position.
4. Hire full-time, permanent store officers.
5. Invest in training.
6. Solicit customer feedback regularly.
7. Communicate the fact that everyone contributes to the customer’s perception of service
8. Recognize the demands of family and personal life.
9. Find ways to buy from your customers.
10. Develop efficient systems of order fulfillment.
11. Take ethical actions.
12. Take a long term perspective.

(b)

An objective, objectives and multiplicity of objectives.

After determining the organization’s mission, managers next set its objectives or goals. Establishing objectives once again is the most important phase of planning process. Objectives serve as reference points for every decision maker and guide the organization’s routine activities.

An objective is a term commonly used to indicate the end point of management programme. It can be defined as the goals which an organization tries to achieve. Objectives are usually plural and must be SMART.

Specific

Measureable

Attainable

Realistic

Time bound

Objectives act as a sound basis of developing administration controls, they contribute to the management process; they influence the purpose of the organization, policies, personnel leadership as well as managerial control. Objectives indicate the contribution to be made by each unit and thus it is the basis for decentralization.

**Hierarchy of objectives**

Objectives in an organization are not singular. In an organization objectives are structured in a hierarchy of importance. There are objectives within objective

Company objectives (profits, social responsibility

Divisional objectives of an operating division or subsidiary

Departmental objectives of production, sales, finance etc.

Employee objectives (individual objectives of the people working in the enterprise

**Multiplicity of objectives**

At different level of hierarchy, goals are likely to be multiple. Objectives are normally several rather than one goal. Objectives are needed in every area of business where the survival and success of the business is important.