

**Presbyterian University of East Africa**

**School of Business Studies**

**MAY TO AUGUST 2014 SEMESTER EXAMINATION**

**BACHELOR OF BUSINESS ADMINSTRATION (BBA)**

**COURSE CODE: MGT 102/003. TITLE: P & P OF MANAGEMENT.**

**TIME: 2 Hours**

**DATE:**

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

**Question One**

1. The three different managerial control activities are: The strategic level, the management level and the operational level. Discuss (15 Marks)
2. Discuss Delegation in relation to motivation. (10 Marks)
3. Write short notes on: Policy (5 Marks)

**Question Two**

Discuss the development of Management as a discipline. (15 Marks

**Question Three**

In relation to job analysis, discuss job specification and job description. (15 Marks))

**Question Four**

Write short notes on:

1. Managerial skills (5 Marks)
2. Effective staffing (5Marks)
3. Democratic leadership style. (5 Marks)

**Question Five**

Write short notes on:

1. Departmentalization (5 Marks)
2. Multiplicity of objectives. (10 Marks)

**MARKING SCHEME**

**QUESTION ONE**

1. The strategic level (top-level managers) controls the long-term activities and decisions of the organization. The management control level (tactical, middle-level managers) controls the medium term activities and decisions. The operational control level (low-level managers) controls the short-term activities and decisions of the organization.

Managers at all levels plan, organize, staff, direct and control. However, the scope of each of these managerial functions narrows as we descend along the organizational hierarchy. Most of these functions are not performed at the bottom level of Anthony’s model.(Wm C. Brown publishers).

1. Delegation is the art assigning another person to perform a job that one would have performed. This gives a lot of confidence to the other person especially where the authority to perform I also delegated. As a result of this, the person who does that new duty is highly motivated by the kind of trust bestowed upon him or her. It has a multiple effect in the sense that the person develops a level of loyalty, performs better and generates a higher level of commitment and harmony among other staff. Better still, a new level of skilling and specialization is achieved which enables future job rotation with easy especially if the person does a good job. Effective delegation ensures proper guidelines, empowers and enables the delegate. With clear set performance specifications, it is possible to evaluate while motivating the delegate to meet expectation.

(c ) A policy is a guideline to the thinking and action of those who make decisions and the strategy concerned with the direction in which human and physical resources are deployed in order to maximize the chances of achieving organizational objectives in the face of environmental variable. The implementation of the policy can be delegated but the execution of strategy cannot be delegated because it requires a last minute executive decision.

Policies are of different types as follows:

* 1. Organizational and functional policies
  2. Written and implied policies
  3. Originated, applied and imposed policies

ANSWER TWO

There are different schools of thought on the development of management and do not compete but compliment and support one another. Different managers select the management approaches or ideas that fit their problem.

The Classical school of thought, Behavioral school of thought and the scientific school of thought are the major developments while the Contingency and Systems approach supplement the three schools of thought.

1. The **Classical school of management (1880-1920**) is said to be the original formal approach to studying management. This school of thought **searches for solid principles and concepts that can be used to manage people and work productively.** This is the management perspective that emerged during the nineteenth and early twentieth centuries that emphasized a rational scientific approach to the study of management and sought to make organizations efficient operating machines.
2. The **Behavioral school of management approaches management** through studying management that emphasizes **improving management through understanding the psychological make- up of people.** This approach is mid-way the humanistic management perspective that applies social science in organizational context, drawing from economics, psychology, sociology and other disciplines. The humanistic management perspective emerged around the late nineteenth century (1900) and emphasized understanding human behavior, needs and attitudes in the workplace. It encompassed the the human relation, movement which is the management thinking and practice that **emphasized satisfaction of employee’s basic needs as the key to increased worker productivity and human resources perspective that suggests that jobs should be designed to meet higher level needs by allowing workers to use their full potential.**
3. The **Scientific management** is a subfield of the classical management perspective that emphasized **scientifically determined changes in management practices as the solution to improving labour productivity (Daft**). It concentrates on providing management with a scientific basis for solving problems and making decisions (Harper).

The father of scientific management is Fredrick Winslow Taylor (1856-1915) whose theory was that **labour productivity could be improved scientifically determined management practices.** His theory was expanded by Henry Ford, the automaker who **replaced workers with machines for heavy lifting and moving**. Later was the introduction of management of Bureaucratic organizations by a German theorist Max Weber (1864-1920).

(4) The **System approach** is a perspective management problems based on the concept that the organization is a system, or an entity of interrelated parts (Harper). It is seen as one of the recent historical trends; an extension of the humanistic perspective that describes organizations as open systems that are characterized by entropy, synergy and subsystem interdependence (Daft) .

A system is a set of interrelated parts that function as a whole to achieve a common purpose. Systems are either as a closed or open system; although closed system are more theoretical than practical.

(5) The **Contingency approach to management** is a perspective of management that

emphasizes that there is no one best way to manage people or work. It encourages managers to study individual and situational differences before deciding on a course of action. Considered to be second contemporary extension to management and an extension of the humanistic perspective in which the successful resolution of organizational problems is thought to depend on managers’ identification of key variations in the situation at hand. Example of this kind of management is management by objective (MBO) which succeeded in this school. It is on the basis that there is no one best way to manage people or work. A method that leads to high productivity or morale in one situation may not achieve the same result in another. This approach is derived from the leadership aspects of the behavioral school. A good manager practicing management can use all five major developments in management thoughts.

Management is not static but dynamic in nature, besides the five theories, knowledge about organizations and management techniques keeps growing. The most recent developments are;

1. Total quality management (TQM)
2. The learning organization
3. The technology-driven workplace
4. Strategic management
5. Organizational change management
6. Organizations development and transformation

ANSWER THREE

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

ANSWER FOUR

1. 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.

1. Effective staffing involves: Forecasting of the number of personnel required, Decision the qualification required, recruitment and selection, training and development of employees, performance appraisal and evaluation of employees, Take the decision relating to the issues like promotion, transfer, demotion etc, Prepare a compensation package plan, Maintaining personnel accounts and records,
2. Under the democratic leadership style, the leader involves subordinates in the decision making process while retaining the power. This takes place in an environment where the leaders” trust the subordinates, develop a vision, Keep to the goals, encourages risk taking, is an expert, welcomes or invite discussion and remains simple.

ANSWER FIVE

(a) Departmentalization provides benefit for both functional and product structures. The following factors are taken to consideration when developing ***departmental structures.***

1. Co-ordination – Tasks that are closely related.
2. Specialization – proper persons must attach with proper posts.
3. Significance of activities – activities that are basic to the success of an enterprise must be given proper attention.
4. Control – some oversee others and that should made clear.
5. Local conditions – attitude of management towards workers.
6. Human Considerations – should not over value the technical.
7. Economy – relative efficiency and cost should be compared.

(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.