

2906/303

2908/303

Date: _____

2909/303

2912/303

2920/303

PRINCIPLES AND PRACTICE
OF MANAGEMENT

July 2012

Time: 3 hours



THE KENYA NATIONAL EXAMINATIONS COUNCIL

DIPLOMA IN SUPPLY CHAIN MANAGEMENT
DIPLOMA IN MANAGEMENT
DIPLOMA IN HUMAN RESOURCE MANAGEMENT
DIPLOMA IN ROAD TRANSPORT MANAGEMENT
DIPLOMA IN TOURISM MANAGEMENT
DIPLOMA IN INFORMATION COMMUNICATION TECHNOLOGY
PRINCIPLES AND PRACTICE OF MANAGEMENT

3 hours

INSTRUCTIONS TO CANDIDATES

Write your name and index number in the spaces provided at the top of this page.

Sign and write the date of the examination in the spaces provided.

This question paper consists of SEVEN questions.

Answer any FIVE of the SEVEN in spaces provided in this question paper. All questions carry equal marks.

For Examiner's Use Only

Question	1	2	3	4	5	6	7	Total Score
Marks								

This paper consists of 16 printed pages.

Candidates should check the question paper to ascertain that all the pages are printed as indicated and that no questions are missing.

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1. (a) The management of Davon Company Limited has adopted the principles of scientific management in its operations. (10 marks)

(b) Explain the measures that the management of a firm may take to enhance efficiency of the co-ordination function. (10 marks)

2. (a) One of the non-budgetary control techniques is the use of an internal audit unit. Outline the responsibilities of this unit. (10 marks)

(b) Highlight the benefits that may accrue to an organization that has visionary leadership. (10 marks)

3. (a) Kariburners Limited is in the process of establishing a new motivation package for its employees. Explain the circumstances under which the employees may not embrace the package. (10 marks)

(b) Explain five ways in which the adoption of these principles may negatively affect the

(b) Some managers do not attach much importance to the planning function.
Explain five reasons that may account for this situation. (10 marks)

(a) Explain the circumstances under which an organization may adopt a non-hierarchical form of organization structure. (10 marks)

(b) Explain the reasons that may have led to increased use of management by objectives (MBO) in organizations in the recent past. (10 marks)

(a) Explain the ways in which the management of an organization may enhance the decision making capabilities of its middle level managers. (10 marks)

(b) Explain the reasons that would make some organizations fail to engage in corporate social responsibilities. (10 marks)

(a) One of the duties of a general manager is to keep the organization focussed on its objectives.
Explain the ways in which the manager can accomplish this duty. (10 marks)

(b) Highlight the benefits that an organization would derive from filling vacant positions internally. (10 marks)

Outline the financial incentives that an organization may offer to its employees in order to enhance their productivity. (10 marks)

(b) Explain the circumstances that could make it necessary to adopt the autocratic leadership style in an organization. (10 marks)