**JOMO KENYATTA UNIVERSITY OF AGRICULTURE AND TECHNOLOGY**

**UNIVERSITY EXAMINATION 2017/2018**

**YEAR 1 SEMESTER 1 EXAMINATION FOR THE DEGREE IN BACHELOR OF SCIENCE IN BANKING AND FINANCE**

**HBF 2103: MANAGEMENT THEORY AND PRACTICE**

**DATE: JANUARY, 2018 TIME: 2 HOURS**

**INSTRUCTIONS: Answer question ONE and any TWO other questions**

**Question one – 30 marks**

1. “ the management is the process of working with and through others to achieve organizational objectives in a changing environment ,central to this is the effective and efficient use of limited resources.” Describe the salient features of management. [8 marks]
2. Max Welber, who was also was also a practicing manager wanted to find out why people in organizations obeyed those in authority over them. He investigated bureaucracy which was regarded as the most common form of all organizations. State five main features of bureaucracy according to Max Welber. [5 marks]
3. Effective management tends to possess a certain mix of skills that sets them apart from others. Citing examples, describe the pertinent mix of the skills. [6 marks]
4. State five positive effects of internal business environment [5 marks]
5. Citing examples, describe how a manager would use the following managerial principles to improve performance of the organization. [ 6 marks]
6. Unity of direction
7. Esprit de corps
8. Order principle

**Question Two**

1. Social scientists, Gullick and Urwick described the functions of managers using the acronym PSODCORB. Discuss how POSDCORB is practiced in organizations. [14 marks]
2. Briefly explain the role of managers in an organization. [6 marks]

**Question Three**

1. The macro environment of a business is complex thus the managers must be prompt in responding to it. Explain five ways in which macro environment can negatively affect a business.[10 marks]
2. “efficient planning is the basis of successful organization.” Discuss five setbacks to effective planning. [10 marks]

**Question four**

1. “Coordination is the very essence of management.” explain five techniques of achieving effective coordination. [10 marks]
2. Discuss the following concepts as used in management [ 2 marks]
3. Directing
4. Delegating
5. Departmentalization
6. Decentralization
7. Controlling

**Question five**

1. The 21th century management is currently facing challenges in managing business. Using relevant examples explain any five challenges. [10 marks]
2. Suggest possible solutions to the above mentioned challenges. [10 marks]