

# KASNEB

## CS PART II SECTION 3

### PRINCIPLES AND PRACTICE OF MANAGEMENT

THURSDAY: 26 November 2015.

Time Allowed: 3 hours.

Answer any FIVE questions.

ALL questions carry equal marks.

#### QUESTION ONE

- (a) The classical writers placed emphasis on the definition of structure, focused on the requirements of the formal organisation and searched for a common set of principles applicable in all circumstances.

Analyse five principles of organising as propagated by Lyndall Urwick. (10 marks)

- (b) Evaluate five ways in which management could use Abraham Maslow's hierarchy of needs theory to motivate employees. (10 marks)

(Total: 20 marks)

#### QUESTION TWO

- (a) Makunda Diaries Ltd. has identified a need in the market which it seeks to satisfy through a new product.

Assess five factors that might contribute to the success of a new product in this market. (10 marks)

- (b) With the aid of a well labelled matrix, evaluate four alternative strategies that a firm could adopt as a portfolio framework as advanced by Boston Consulting Group (BCG). (10 marks)

(Total: 20 marks)

#### QUESTION THREE

- (a) Explain five advantages of using network analysis as a tool of planning and controlling complex projects. (5 marks)

- (b) Analyse five roles of a matrix organisational structure in project management. (5 marks)

- (c) A budget is one of the tools of control in an organisation.

Describe five types of budgets prepared during the budgeting process. (10 marks)

(Total: 20 marks)

#### QUESTION FOUR

- (a) Describe four benefits of a business plan to an organisation. (4 marks)

- (b) Entrepreneurial management is distinct from traditional management in several dimensions.

Evaluate four dimensions which distinguish entrepreneurial management from traditional management of firms. (8 marks)

- (c) The manager is frequently faced with the task of introducing change in the organisation.

Explain four factors that could cause a need for change and innovation in an organisation. (8 marks)

(Total: 20 marks)

#### QUESTION FIVE

- (a) Evaluate three circumstances which could justify the adoption of the following types of production:

(i) Batch production. (3 marks)

(ii) Flow/mass production. (3 marks)

- (b) Describe eight benefits that could accrue to an organisation from implementing a computer aided design and computer aided manufacturing system (CAD/CAM). (8 marks)
- (c) Explain six requirements for successful implementation of total quality management (TQM) in an organisation. (6 marks)
- (Total: 20 marks)**

**QUESTION SIX**

- (a) (i) Explain two differences between “programmable decisions” and “non-programmable decisions”. (4 marks)
- (ii) Analyse six steps in the decision making process. (12 marks)
- (b) Forecasting involves accurately predicting future events.
- Describe four difficulties managers could encounter when forecasting. (4 marks)
- (Total: 20 marks)**

**QUESTION SEVEN**

- (a) Explain four roles played by a human resource manager in the recruitment process. (4 marks)
- (b) (i) Distinguish between “classical theories of management” and “neo classical theories of management”. (4 marks)
- (ii) Analyse six contributions of Max Weber’s bureaucracy theory to the study of management. (12 marks)
- (Total: 20 marks)**
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