



MACHAKOS UNIVERSITY

University Examinations for 2020/2021 Academic Year

SCHOOL OF BUSINESS AND ECONOMICS

DEPARTMENT OF BUSINESS ADMINISTRATION

FIRST YEAR SPECIAL/SUPPLEMENTARY EXAMINATION FOR

BACHELOR OF COMMERCE

BBA 102: PRINCIPLES OF MANAGEMENT

DATE: 12/8/2021

TIME: 2:00 – 4:00 PM

INSTRUCTIONS: Answer Question **ONE** and any other **TWO** Questions.

QUESTION ONE (COMPULSORY) (30 MARKS)

Put yourself in the position of management consultant who specializes in Management by objectives (MBO). The local business enterprise association has asked you to be the speaker for its luncheon next week. The president of the association says that the group would like to learn more about the topic.

- a) Explain in **five** points how you would use MBO for better planning and control (5 marks)
- b) Explain in **five** key points the potential benefits of MBO to this group of small business owners. (5 marks)
- c) The management of Kenatco Company Ltd sets performance targets for its employees from time to time. Explain **five** benefits that the organization may derive from this approach. (10 marks)
- d) As the HR manager in your organization, you have realized that there are many employees whose full potential is not effectively been utilized. Explain **five** ways in which you can deal with the prevailing condition. (10 marks)

QUESTION TWO (20 MARKS)

- a) Explain Maslow's hierarchy of human needs theory and its applicability in motivating employees in an organization. (10 marks)
- b) Explain in **five** points the benefits of training employees that any management of an organization can enjoy. (10 marks)

QUESTION THREE (20 MARKS)

- a) Explain any **five** principles of management as advanced by Henri Fayol (10 marks)
- b) Explain in **five** points the significance of the planning function (10 marks)

QUESTION FOUR (20 MARKS)

- a) Explain **five** constraints in an organization's internal environment showing how they affect the operation of the organization. (10 marks)
- b) Departmentation is one of the elements of organizing. Explain **five** approaches that a manager can use to create work units in the organization. (10 marks)

QUESTION FIVE (20 MARKS)

- a) Explain in **five** points how porter's competitive strategies model would be helpful to any successful business. (10 marks)
- b) Many organisations are conducting performance appraisal activity on their employees. Argue in **five** points your case why this is so using five reasons. (10 marks)