**Part B**

**Answer only four (4) of the five (5) questions. For each chosen question write about 150 words clearly indicating which question is being answered. Each question is worth 5 marks.**

1. **Define four functions of management (Planning, Organising, Leading and Controlling) and briefly explain the importance of each of them in achieving organisational success.**

**Answer**

* Planning involves setting goals and developing strategies for achieving those goals. Planning provides direction to managers, reduces uncertainty, anticipate problems and develop appropriate strategies, establishes goals or standards that are used in controlling.
* Organising is the process of arranging people and other resources to work together to accomplish goals. It helps the organisation to allocate and develop resources, assign tasks and responsibilities to appropriate employees, establish line of authority and formalise activities.
* Leading is influencing individuals and groups to achieve goals. Leaders are important to create the vision and motivate/influence employees to achieve goals/extraordinary outcomes.
* Controlling is the process of monitoring, comparing and correcting work performances. Controlling is important due to following reasons. It ensures organisational activities are completed in ways that lead to the attainment of goals. Controlling is the only way that managers know whether organisational goals are being met and if not reasons why.

1. **In a short essay, discuss the path-goal leadership theory developed by Robert House. Next, list and explain the four leadership behaviours based on the path-goal leadership theory.**

Path-goal theory is a contingency model of leadership. The theory says it is the leader’s responsibility to assist his or her followers in attaining their goals and to provide the direction or support needed to ensure that their goals are compatible with the overall objectives of the group or organisation.

According to this theory, a leader’s behaviour is acceptable to group members to the degree that they view it as an immediate source of satisfaction or as a means of future satisfaction. A leader’s behaviour is motivational to the extent that it makes the satisfaction of subordinates’ needs contingent on effective performance and provides the coaching, guidance, support and rewards that are necessary for effective performance. To test these statements, House identified four leadership behaviours.

1. Directive leader – lets subordinates know what’s expected of them, schedules work to be done and gives specific guidance on how to accomplish tasks.

2. Supportive leader – is friendly and shows concern for the needs of followers.

3. Participative leader – consults with group members and uses their suggestions before making a decision.

4. Achievement oriented leader – sets challenging goals and expects followers to perform at their highest level.

1. **Discuss current issues managers face in motivating employees and provide potential solutions.**

**Answer**

* Motivating in tough economic circumstances
* Managing cross-cultural work groups
* Motivating unique groups of workers (e.g., professionals, contingent workers, low-skilled, minimum-wage employees)
* Motivating a diverse workforce

Use non-monitory rewards, open communication, creating common team goals, enhance cultural understanding/intelligence, implementing diversity policies, treat everyone with respect, work-life balance programs, empowering employees, setting challenging goals are some of the solutions managers can implement.

1. **Describe the four approaches to being green that a firm can engage in. Provide an example for each strategy.**

**Answer**

* Legal Approach (Light Green) – doing what is required legally/show little environmental sensitivity/obey laws and rules. Example: Oil refiners complying with environmental laws.
* Market Approach – Sensitive to environmental issues/respond to environments preferences of its customers/provide environmentally friendly options based on customer demand. Example: minimum use of chemicals on crops
* Stakeholder Approach – Fulfil environmentally friendly demand of multiple stakeholders including customers, employees, community etc. Example: Corporate environmental programs at Unilever/Hewlett-Packard
* Activist Approach (Dark Green Approach) – Actively search for ways to preserve the earth and its natural resources/shows highest degree of environmental sensitivity. Example: Producing cleaning products using plants and mineral based products.

1. **Contrast mechanistic and organic structures and identify one example for each.**

**Answer**

Students need to identify and briefly introduce characteristics of mechanistic and Organic structure.

Mechanistic structure: High specialisation, rigid departmentalisation, clear chain of command, narrow span of control, centralisation and high formalisation.

Organic structure: Cross-functional teams, cross-hierarchical teams, free flow of information, wide span of control, decentralisation and low formalisation.

Optional: Contingency factors that affect organisational design - strategy, size, technology and environment. For example, larger organisations tend to have mechanistic structures such as big banks, military organisations. Valve, Semco are good examples for organic organisations.