

UGANDA MARTYRS UNIVERSITY
BUSINESS ADMINISTRATION AND MANAGEMENT
PRINCIPLES OF MANAGEMENT
BAM 1 FINAL ASSESSMENT
20th DECEMBER 2012

Duration 3 hours

Do not write anything on the question paper

SECTION A: Answer all questions. Each question carries 2 marks

If the statement is true rewrite as it is, if not, write the right statement basing on the bolded statement..

1. **Theory X managers** believe that their subordinates dislike work because they would rather be leaders than followers.
 2. **Programmed decisions** resolve problems that arise on a regular basis and can be addressed through available information from the past.
 3. If we take an example of Mukwano Group of Industries, **the four functions of management** are production, distribution, sales and administration.
 4. An important **finding of the Hawthorne studies** was the value of paying workers a good salary.
 5. **Effectiveness** is using as few resources as possible.
 6. **Risk** is the condition in which the decision maker is able to estimate the likelihood of certain outcomes.
 7. An **advantage of group decisions** is that they increase acceptance of a solution.
 8. **Situation leadership** is when the leadership style varies from one set of circumstances to another.
 9. **Top managers** are also called tactical managers since they must translate the general goals into specific objectives and activities.
 10. **Strategic Managers focus on** translating goals and objectives into specific activities
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SECTION B: Do all numbers of in this section. Each question carries 2 marks

Write the words in the right option

1. The problem-solving process begins with
 - a. clarification of the situation
 - b. establishment of alternatives
 - c. identification of the difficulty
 - d. isolation of the cause
2. Internal customers are
 - a. The employees of an organization who benefit from the organization's goods or services
 - b. Those who buy items of an organization before they are taken outside
 - c. Those who depend on the results of the work from others in order to do their own jobs
 - d. Those who buy items at the factory price
3. The final step in the decision-making process is to:
 - a. pick the criteria for the next decision
 - b. reevaluate the weightings of the criteria until they indicate the correct outcome.
 - c. evaluate the outcome of the decision
 - d. reassign the ratings on the criteria to find different outcomes
4. -----and ----- are outcomes from a study of the internal environment.
 - a. Threats; weaknesses
 - b. Strengths; weaknesses
 - c. Weights; measures
 - d. Opportunities; threats
5. Which of the following describes the leadership style in which a leader tends to centralize authority, dictate work methods, make unilateral decisions, and limit employee participation?
 - a. Cultural style
 - b. Autocratic style
 - c. Democratic style
 - d. Laissez-faire style
6. Promoting team spirit within the organization is called:
 - a. Stability of tenure of personnel
 - b. Remuneration
 - c. Centralization
 - d. Esprit de corps
7. Corporate governance is:
 - a. another name for executive management
 - b. a system used to protect the rights of shareholders
 - c. a term that refers to legal agreements made between two or more partner firms
 - d. primarily a problem facing Malaysian firms
8. The macro environment includes all of the following EXCEPT:
 - a. demographics.
 - b. technology.
 - c. government policies.
 - d. international developments.

- e. new entrants.
9. In Fayol's fourteen principles of management, which is best identified by the description "make expectations clear and punish violations"?
- Unity of direction
 - Esprit de corps
 - Discipline
 - Authority
10. Control that prevents anticipated problems is called:
- Feed forward control
 - Concurrent control
 - Feedback control
 - anticipated control
11. Salaam is a manager of a software house. He is very competitive and tries to stay ahead of the competition. For this purpose he should provide information or services before any other company provides. But as internet industry is a dynamic industry, he has to provide information to his clients before it comes to market. In different situations he doesn't know what new trend will come in market. Salaam is operating under which of the following conditions?
- Risk
 - Bounded Rationality
 - Uncertainty
 - Certainty
12. Applicants had been interviewed for the post of financial analyst. Among these 50 people, 5 people had been short listed because they were holding diplomas of specialization along with the degrees required. They influenced the interviewer with which of the following powers?
- Expert Power
 - Coercive Power
 - Legitimate Power
 - Reward Power
13. Which of the following is a power that has been legitimated by the organizations?
- Responsibility
 - Span of control
 - Authority
 - Accountability
14. If you get more output from a given input, you have:
- Decreased effectiveness
 - Increased effectiveness
 - Decreased efficiency
 - Increased efficiency
15. Which one of the following is an area in the environment that if exploited may generate high performance for organization?
- If the company has sufficient working capital
 - Strength
 - Opportunity
 - Committed employees

SECTION C: Answer two questions. Be comprehensive and analytical

3. "It is not the strongest of species that survive nor the most intelligent but the one most responsive to change." With examples and illustrations from the business perspective, discuss. (25 marks)

4. Bobine has worked with Ketrick Company for 10 years in the sales department. He has been a hard working and reliable employee. However of recent Bobine developed a queer character. He is eccentric, he drinks a lot, and he is nervous, moody and worst of all he is no longer a committed employee as he used to be. He has become a headache to his immediate supervisors. In summary the top management knows him as a problem employee. Kamau as the immediate supervisor to Bobine needs help on how to solve Bobine's problem.

Required: Following the steps of rational decision making, practically advise Kamau on the steps of coming up with a rational decision to Bobine's predicament. (25marks).

5. With relevant examples describe Michael Porter's five forces in a firms competitive environment. (25 marks)

6. The Management of Uganda Martyrs University wants to bring about some changes in the way lectures are conducted. Below are some of the proposed changes:

- i. Lecturers should not give students notes, but advise them on how to access information
- ii. Lectures should run in two shifts, 6.00 am – 8.00 pm and 4.00 pm - midnight
- iii. There should be team teaching for every subject such that at any one time there should be two lectures in a class.

Basing on what you learnt about change management discuss

- a. Why both lecturers and students might resist the changes (8 marks)
- b. Advise management on how to minimize resistance to the proposed changes (8 marks)
- c. Show how you will use the 3 steps in making the changes (9 marks)