

QUESTION ONE (30 MARKS)

(a) Explain FIVE reasons for delegation in the management of an organization (10 marks)

1. Lack of time or energy. Human beings have limited time and energy. They must therefore divide the work load and share the duties and responsibilities/tasks.
2. Complex and intricate techniques. This will mean specialists are needed. The manager will therefore delegate the work of deliberation and formulation of plans to specialist.
3. Geographical dispersion/Diversification. This means that there will be a network of branches and multiple plants spread over a wide area. Big businesses are compelled to divisionalise their organization. Delegation and centralization offers the best solution to effectively manage diversified and dispersed businesses.
4. Method of motivation. Delegation builds a tendency towards greater interest and emphasize on the part of the subordinate. Since they have greater participation in decision making they respond positively to challenge and responsibility that comes with delegation.
5. Management Development. It is used as a form of training for future managers. This helps in avoiding organizational gaps and achieving continuity in management; this leads to organizational stability.

(b) Henry Favol, also known as "the father of modern management" described a number of principles of management. Explain any FIVE principles of management by him. (10 marks)

1. Division of work. Division of work leads to division of labor and division of labor leads to specialization. There would be better results if managers were left to prepare and plan for work while workers execute plans and instructions.
2. Authority and responsibility. Authority is the right to give order or commands. Responsibility is the obligation to accomplish objectives or expected results of performance. Authority should be equal or co-terminus (commensurate) with the responsibilities assigned i.e. should not be too low nor too high.
3. Principle of discipline. Rules, regulations and procedures should be honored by each member of the organization. There should be a common code of conduct.
4. Unity of command. Orders and instructions must come from one superior and the workers should be accountable to one superior.
5. Unity of direction. All individual and group efforts should be directed to one super goal.
6. Common interest should override personal interest.
7. Principle of remuneration. There should be fair pay for work as well as fairness in other rewards and incentives.
8. Principle of centralization and decentralization. There must be a good balance between centralization and decentralization of powers and authority. Extremes should be avoided.
9. Scalar chain. The unity of command should bring about a chain or hierarchy of command linking the top to the bottom of the organization.

10. The principle of order. He suggested there is a place for everything and everyone. Disorder leads to chaos and confusion.
11. Principle of Equity. Also referred to as justice and Kindness. There should be equal treatment in all matters of remuneration, discipline, promotions etc.
12. Stability of tenure. A person needs time to adjust him or herself to new work and demonstrate his efficiency in due course. Employees must have job security.
13. Spirit of co-operation (Esprit De Corps). Unity is strength and unity demands co-operation. Pride, loyalty and a sense of belonging are responsible for good performance.
14. Principle of initiative. A worker must be encouraged to take initiative, be creative and innovative.

(c) Ms Beth Quko has approached you concerning organizing as a function of management. Advise her on the principles of organizational structuring for her business. (10 marks)

1. Principle of objective Every organisation and every part of the organisation must be an expression of the purpose of the undertaking concerned, or it is meaningless and therefore redundant.
2. Principle of authority In every organised group the supreme authority must lie somewhere and there should be a clear line of authority from the supreme authority to every individual in the group (this is also known as the "scalar principle").
3. Principle of responsibility The responsibility of the superior for the acts of his subordinates is absolute.
4. Principle of correspondence In every position, responsibility and authority should correspond.
5. Principle of continuity The organisation is a continuous process over time, and specific provision should be made for this continuity of process in every undertaking.
6. Principle of specialisation The activities of every member of any organised group should be confined, as far as possible, to the performance of a single function.
7. Principle of definition The content of each position, including the duties involved, the authority and responsibility contemplated, and the relationships with other positions, should be clearly defined in writing and published to all concerned.
8. Span of control No person should supervise more than five, or at the most six, direct subordinates whose work interlocks.
9. Principle of balance It is essential that the various units of an undertaking should be kept in balance with the purpose of the organisation (a cryptic phrase, but, for example, in the health service there is constant criticism that the proportion of administrative staff to front line nursing staff is "out of balance").
10. Unity of command Each member of an organisation should have only one boss, with no conflicting lines of command.

QUESTION TWO (20 MARKS)

(a) Explain FIVE features of a bureaucratic organization as prescribed by Max Weber (10 marks)

1. Hierarchical structure. There is an established hierarchy of authority. Positions are established and linked by a chain of command. Power and authority increases as one moves up through the levels in the organization.
2. Division of labor. A bureaucratic organization will define what needs to be performed as narrowly as possible. Weber argued that the most rational division of work could reduce a complex task into several operations. This will lead to higher efficiencies.
3. Rules and regulations. There should be explicit rules and regulations governing decision making and interpersonal behavior
4. Technical competence. Selection to positions would be based on adequate technical training as opposed to family ties, friendship etc. Promotion would also be based on merits.
5. Separation from ownership. Weber believed that owners were a major source of inefficiency of an organization because decisions could be based on profits than on increasing production efficiency. The level of interference from the owners will be reduced if businesses were separated from their owners.
6. Positional power. Weber believed that org would achieve functionality when power and authority are vested in a position and not on the incumbents (position holder). He believed that if power and authority were given to individuals, they would use it for personal gains. It would also be easier to remove those managers who are non-performers.
7. Record keeping. It is necessary to keep records because organizations live longer than the members, records should therefore be kept for future decision making.

(b) Explain Abraham Maslow's needs hierarchy theory of motivation. (10 marks)

1. Physiological needs : This refers to bodily and substance needs e.g food, shelter, clothing etc. Until these things are satisfied to a degree that sustains life, other needs will not motivate employees. Employers should ensure that employees are able to meet their basic needs by providing them with better terms and conditions of service e.g. better wages and salary which will lead to employees motivation.
2. Safety/security needs : This refers to the need to be free from physical dangers and the fear of losing a job, property or shelter. It includes social security needs and conditions for the future.
3. Love/affiliation/acceptance needs : These refer to the need to belong to a given group and to be accepted by others. Employers should provide friendly working environment to motivate employees.
4. Esteem/Ego needs : This includes the needs for self respect and respect from others. This class of needs provides satisfaction such as prestige, status and self confidence. Employers should treat employees with the esteem they deserve based on their positions and rank in the organization.
5. Self actualization needs : These refer to the desire to become what one is capable of becoming i.e. to feel fulfilled and to realize ones full potential. Employers should encourage

career development and growth of individuals by providing training and development opportunities so that the employees can realize these needs.

QUESTION THREE (20 MARKS)

(a) Discuss FIVE factors that determine the span of control in the structure of an organization. (10 marks)

1. Nature of the work. If the work to be performed by subordinate is of a complex nature, then the fewer should be the subordinates under a single superior because in dealing with one subordinate a manager must devote more time. If the work is of a routine nature or highly stratified the more should be the no of subordinates.
2. Capacity and experience of the manager. The span of control will also depend on knowledge, energy, personality, interest, attitude, experience etc of the manager. The more of these attributes the manager has the higher the number of subordinates who can be effectively supervised and vice versa. Also important is the manager's ability to reduce the frequency and time impact of the superior/subordinate relationships. The less the frequency the more the no of subordinates to be supervised and vice versa.
3. The efficiency of the systems employed. The systems and control procedures also affect the span of control. If they are efficient and improved, the span of control can be wide and vice versa.
4. Use of personal assistants. Personal assistants can deal with the day to day problems without recourse to the superior. Cutting short contacts with subordinates enables the supervisors to widen his/her span of control. Where a personal assistant doesn't exist the span tends to be narrow.
5. Subordinates training. The better the training the higher the skills they possess, the wider will be the span of control. Untrained subordinates will need close control and supervision and this narrows the span of control.
6. The extent of delegation of authority. If the manager delegates clear and sufficient authority to the subordinates the span of control can be wide. The subordinates will also require less of the manager's time. Where authority is centralized at the top level the span of control tends to be narrow.
7. The use of standing plans e.g. rules and procedures. Their use relieves the top executives of the burden of making decisions all the time as they serve to guide the subordinates. They can be used to solve recurrent problems therefore widening the span of control. Where they are not used, the span of control tends to be narrow.
8. Geographical Dispersion. Where operations are geographically dispersed, the span of control tends to be narrow because territorial separations make personal contacts difficult. Where activities are concentrated in one area the span of control can be wider.
9. The level of management. The span of control at lower levels tends to be wider than at higher levels. High level managers are involved in other activities e.g planning besides supervision. At lower levels work tends to be routine allowing for a wider span of control.
10. The personal preferences of the manager. Higher level managers are able to dictate how many individuals will report to them. It is prescribed for the lower level of management.

11. Environmental factors. If an organization operates in unstable dynamic environments, a narrow span of control may prove more effective but if the environment is static with relatively stable conditions a wide span can be applied.