

CHUKA



UNIVERSITY

UNIVERSITY EXAMINATIONS

SECOND YEAR EXAMINATION FOR THE AWARD OF DIPLOMA IN BUSINESS
MANAGEMENT

DHRM 0217: ORGANISATONAL THEORY

STREAMS: DIBM Y2S2

TIME: 2 HOURS

DAY/DATE: TUESDAY 06/08/2019

2.30 P.M - 4.30 P.M.

INSTRUCTIONS:

- Answer Question ONE and any other TWO Questions
- Do not write anything on the Question paper

QUESTION ONE

- (a) Organizations can be classified into various types. Identify any five types and show the importance of each of the types to the economy of a country. [10 Marks]
- (b) Differentiate between a centralized and a decentralized organizational structure and lay out the advantages of centralization. [10 Marks]
- (c) Explain the contributions of scientific management thoughts to organizational theory. [10 Marks]

QUESTION TWO

- (a) Explain the characteristics of bureaucratic organizations as set out by Max Weber. [10 Marks]
- (b) Explain the following concepts of management identified by Henri Fayol showing their importance in management of business organization.
- (i) Unity of command
 - (ii) Unity of direction
 - (iii) Parity of authority and responsibility
 - (iv) Scalar chain
- [10 Marks]

QUESTION THREE

- (a) Explain the assumption of Theory X and Theory Y and show why an organization may prefer to apply the principles of Theory Y in their management approaches. [10 Marks]
- (b) Explain how a manager in the hospitality industry can use the ideas of the Hierarchy of Needs theory to motivate the workforce. [10 Marks]

QUESTION FOUR

- (a) Explain the factors that determine the kind of organization structure adopted by an organization. [10 Marks]
- (b) Differentiate between Tall and Flat hierarchies of organization structures and five reasons that may limit a managers' span of control. [10 Marks]

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