

CHUKA



UNIVERSITY

UNIVERSITY EXAMINATIONS

RESIT/SPECIAL EXAMINATION

EXAMINATION FOR THE AWARD OF DIPLOMA IN BUSINESS MANAGEMENT

DIBM 0218: ORGANIZATIONAL THEORY

STREAMS: DIP. BUSINESS MANAGEMENT

TIME: 2 HOURS

DAY/DATE: WEDNESDAY 25/07/2018

11.30 A.M. – 1.30 P.M.

INSTRUCTIONS:

- Answer question ONE and any other TWO.
- Don't write anything on this question paper.

QUESTION ONE (COMPULSORY)

- (a) Discuss the main features of organizations. (8 marks)
- (b) Distinguish between the following terms:
- (i) Organization theory and organization behaviour. (4 marks)
 - (ii) Organization structure and organization design. (4 marks)
 - (iii) Closed-system and open-system. (4 marks)
- (c) Explain any five reasons why individuals join groups in organizations. (10 marks)

QUESTION TWO

- (a) In a management forum you attended recently in your county, a participant remarked that "an organization is an open-adaptive system interacting with its own environment." In reference to this statement, discuss the main characteristics of open systems.(12 marks)
- (b) Explain how the organizations life-cycle perspective helps us understand business organizations in Kenya. (8 marks)

QUESTION THREE

- (a) Why is centralization-decentralization important to an organization? (10 marks)
- (b) Highlight the techniques managers use to promote standardization of employee behaviour in organizations. (10 marks)

QUESTION FOUR

Bidcom manufacturing company limited that specializes in the production, distribution and sale of cooking oil, soap and detergents intends to expand and open branches in major counties in Kenya.

- (a) Advice the management the possible strengths and weaknesses of applying divisional organizational design. (10 marks)
 - (b) Explain how you can sustain culture in Bidcom manufacturing company Limited. (10 marks)
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