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CHUKA



UNIVERSITY

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**UNIVERSITY EXAMINATIONS  
CHUKA & EMBU CAMPUS**

**FIRST YEAR EXAMINATION FOR THE AWARD OF DIPLOMA IN BUSINESS  
MANAGEMENT.**

**DIBM 0112: PRINCIPLES OF MANAGEMENT**

**STREAMS: DIP Y1S2**

**TIME: 2 HOURS**

**DAY/DATE: MONDAY 6/08/2018**

**2.30 P.M - 4.30 P.M.**

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**INSTRUCTIONS:**

- Answer Question ONE and any other TWO Question.

**QUESTION ONE**

- (a) What is Management? Why do you think Management is important to an organization? [10 Marks]
- (b) All organizations operate not in a vacuum but in open system, continuously interacting with the environment. As a business manager, explain why you must understand the business environment in ensuring organizations success. [8 Marks]
- (c) Describe the various types of plans in a contemporary organization. [6 Marks]
- (d) Discuss how managers can overcome the barriers to effective planning. [6 Marks]

**QUESTION TWO**

- (a) Discuss the determinants of organization structure for a successful organizational design. [10 Marks]
- (b) Explain the area in which a business organization could engage in socially responsible activities. [10 Marks]

**QUESTION THREE**

- (a) Fredrick Taylor's Scientific Management theory was considered revolutionary during his time. Discuss the key principles of Scientific Management Theory showing clearly how it has contributed in shaping management practices of today. [10 Marks]

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(b) Outline the importance of good leadership in an organization. [10 Marks]

**QUESTION FOUR**

(a) Discuss the skills and functions of managers necessary in the contemporary organizations. [10 Marks]

(b) Explain clearly the importance of decentralization of authority and responsibility in management of organizations. [10 Marks]

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