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# THIRD YEAR EXAMINATION FOR THE AWARD OF DEGREE OF BACHELOR OF COMMERCE

**BCOM 351: ORGANIZATION THEORY** 

STREAMS: BCOM TIME: 2 HOURS

DAY/DATE: MONDAY 06/04/2020 2.30 P.M. – 4.30 P.M.

#### **INSTRUCTIONS:**

Answer question ONE (Compulsory) and any other TWO

Do not write anything on this question paper

## QUESTION ONE: CASE STUDY (COMPULSORY)

Kenya Wildlife Enterprise and Management Authority (KWEMA) is a state corporation offering wildlife protection, biodiversity conservation, and wildlife advisory services. The authority has its headquarters in Nairobi, which directs the activities of eight Branch offices located in major counties in Kenya. The headquarters has a range of senior line managers and researchers, all of whom have served for a number of years in the wildlife enterprise business. Each branch is headed by a branch manager, who usually has four or five direct reports, such as the wildlife inventory manager, research and development manager, etc. each of these departmental managers has between three and five section leaders or their equivalent.

The company's policy in matters of promotion and management succession is to identify and prepare existing staff, than to recruit outsiders. A major feature of the company's reporting relationship is divisional designs. However, in recent years this organizational design has come under criticism from both line managers and Branch managers on the grounds of duplication of activities, resources and limited cooperation between the headquarters and branch managers who feel constrained by structural policies.

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It has also been expressed by others that since the divisional structure works best where the environment is neither very complex nor very dynamic, the head office should continue to act as external overseer, evaluating the performance of each division and deciding on which one to receive capital for investment.

### Required:

(a) Describe the advantages and disadvantages of KWEMA'S organization structure

[10

marks]

(b) Explain the factors that can facilitate development of organizational culture in KWEMA [10]

marks]

(c) Discuss the importance of groups and teams 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) Formalization refers to the degree to which jobs within the organization are standardized. Explain the techniques managers use to promote standardization of employee behaviour

[8]

marks]

## **QUESTION THREE**

- (a) Distinguish between organization structure and organization design [4 marks]
- (b) Discuss any four determinants of an organization structure [8 marks]
- (c) Highlight the assumptions of McGregor's theory –X and theory –Y in understanding human beings in organizations. [8 marks]

#### **QUESTION FOUR**

(a) Power is the ability that a person has to influence the behaviour of another to do things he or she would not have done. In view of this, explain the main sources of power in organizations. [10 marks]

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(b)	Highlight the techniques of dealing with individual resistance to change in organizations.
	[10
marks]	