



MACHAKOS UNIVERSITY

University Examinations for 2020/2021 Academic Year

SCHOOL OF BUSINESS AND ECONOMICS

DEPARTMENT OF BUSINESS ADMINISTRATION

FIRST YEAR FIRST SEMESTER EXAMINATION FOR

CERTIFICATE IN BUSINESS MANAGEMENT

1906/101: FUNDAMENTALS OF MANAGEMENT AND ENVIRONMENT

DATE: 3/9/2021

TIME: 8:30 – 11:30 AM

INSTRUCTIONS

❖ ANSWER ALL THE QUESTIONS IN SECTION A AND ANY FOUR IN SECTION B

❖ ANSWER ALL QUESTIONS IN THE ANSWER BOOKLET PROVIDED

❖ ALL QUESTIONS TO BE ANSWERED IN ENGLISH SECTION A (32 MARKS)

1. Explain three benefits that may be obtained by an organization from effective planning. (3 marks)
2. Highlight two functions that the top level of management may perform in order (2 marks)
3. Outline three ways in which an organization can act socially responsible to the stake holders. (3 marks)
4. List four economic factors within the environment likely to affect operations of a business organization. (4 marks)
5. Give three characteristics of management. (3 marks)
6. Describe four types of skills that a manager should possess. (4 marks)
7. State three objectives of management. (3 marks)
8. Explain four essential qualities that an effective supervisor should possess. (4 marks)
9. Explain three interpersonal roles of a manager in an organization. (3 marks)
10. Highlight three principles of management according to Henry Fayol (3 marks)

SECTION B (68 MARKS)

11. (a) Explain four limitations that may be faced when planning in organizations. (8 marks)
- (b) Describe the procedure that should be followed in the organizational planning process (9 marks)
12. (a) Outline four ways in which unfavorable external business environment may affect the operations of a business. (8 marks)
- (b) Some organizations may be reluctant to engage in corporate social responsibility activities. Highlight four reasons that such organizations may have for the reluctances. (9 marks)
13. (a) Outline four roles of a middle manager in relation to subordinates in an organization. (8 marks)
- (b) Explain six functions of management. (9 marks)
14. (a) State four advantages of division of labour as proposed by Max Weber. (8 marks)
- (b) Describe the decision-making process that should be followed in an organization. (9 marks)
15. (a) State six benefits that can be derived from well formulated plans. (9 marks)
- (b) Highlight four indicators of effective administration in an organization. (8 marks)