



BOTSWANA COLLEGE OF DISTANCE AND OPEN LEARNING

**BACHELOR OF BUSINESS ADMINISTRATION
(LEADERSHIP AND CHANGE MANAGEMENT)**

PRINCIPLES OF MANAGEMENT

PM 221

SESSIONAL EXAMINATION

MARKS: 100

DURATION: 3 hours

Instructions

1. The examination consists of **Four** sections: A, B, C and D.
2. Begin each answer to a new question on a new page.
3. Answer all the questions according to instructions given in each section.
4. Write answers in the answer booklet provided.
5. Write in grammatical English.

SECTION A: Multiple choice questions. [10 marks]

Answer all the questions by choosing correct answer from the alternatives given.

1. Which management function is a manager who is establishing objectives is performing?

- A. Leading
- B. Controlling
- C. Planning
- D. Organising

2. The document that depicts various elements of structure is the _____.

- A. Constitution
- B. Organisational chart
- C. Articles of association
- D. Strategic plan

Use part of information in the statement in the box below to answer questions 3 and 4.

A manager cannot accomplish all his/her tasks which are required to attain the organisation's goals. There is a limit with regard to how many subordinates a manager can supervise.

3. Which of following elements would help a manager to accomplish all tasks his/ her tasks?

- A. Decentralisation
- B. Departmentalisation
- C. Division of labour
- D. Delegation



-
4. _____ is the element which refers to the number of subordinates a manager can efficiently supervise at one time.
- A. Span of control
 - B. Accountability
 - C. Responsibility
 - D. Power
5. The following are strengths of matrix structure except _____.
- A. Communication sometimes breaks down
 - B. Subordinates can receive conflicting instructions from the different managers
 - C. Minimizes the number of personnel required to complete the work
 - D. Managers have difficulties judging their employees
6. Which decentralisation reason is suitable for an organisation providing products or services to a diverse group of people who differ in tastes and needs from region -to- region?
- A. Location
 - B. Product
 - C. Function
 - D. Customer
7. Henri Fayol is noted for his contribution to classical management theory as pertains to _____.
- A. Human relations approach
 - B. 14 principles of management
 - C. Scientific management
 - D. Critical path method



8. One of the following steps in control process is in the correct order. Which one is it?

1. Establish standards to measure performance
2. Compare performance with the standards.
3. Take corrective actions.
4. Measure actual performance.

- A. 1,4,2,3
- B. 1,2,3,4
- C. 1,3,4,2
- D. 4,2,3,1

9. _____ Managers are often called supervisors.

- A. First-line
- B. Middle
- C. Top
- D. Non- managerial

10. Mr. Jama, the new managing director of Orange (Pty) Ltd organises strategies and review sessions to develop new programmes, which role category falls under Mintzberg's management roles?

- A. Figurehead
- B. Leader
- C. Disseminator
- D. Entrepreneur



SECTION B: True/False. [10 Marks]

State whether each of the following statement is True or False.

1. Effectiveness refers to the relationship between inputs and outputs.
2. An X-shaped matrix relates four groups of items. Each group is related to two others in a circular fashion.
3. Democratic leadership should not be used when the leader wants employees to share in decision-making and problem-solving duties.
4. Leaders are concerned what is right and managers are concerned about being right.
5. Authority and responsibility are contradictory to each other.
6. Managers with good human skills are unable to communicate, motivate and lead to get the best out of their people.
7. Organisational structure is a graphic illustration that depicts the various positions with the organisation and their relative positioning and broad working relationships.
8. It is said that the overall accountability lies with the manager who delegated his/her task to the subordinate.
9. Organic structure is based formal framework of hierarchical authority that is carefully outlined and precisely defined in rules and regulations.
10. The counsellor role requires a supervisor to link pin between management and workers, as the spokesperson of management as well as worker.



SECTION C: Short answer questions. [30 marks]

Answer all the questions in this section.

QUESTION 1

Distinguish between centralisation and decentralisation. **(4marks)**

QUESTION 2

With an aid of a diagram, explain the steps in control process. **(6 marks)**

QUESTION 3

Clearly show the steps involved in planning. **(8 marks)**

QUESTION 4

Distinguish between strategic and tactical planning. **(6 marks)**

QUESTION 5

Justify the reasons for planning in organisation. **(6 marks)**



SECTION D: Essay type questions. [50 marks]

This section contains four questions. Answer 1 and any other two questions.

QUESTION 1 [Compulsory]

Read the following information and then answer the questions below:

Since its founding, EDUCON has established itself as one of the leaders in clothing, footwear and textile retail in Southern Africa. EDUCON is organised in three divisions, namely store division, discount store division and the financial services division.

Each division has its own functional departments like marketing, finance and operations.

EDUCON's biggest success factor is its management that lends visible support to all human resources initiatives. Management believes that the key to sustainable success in business lies in the efficient execution of all management functions.

Employees that thrive at EDUCON are highly motivated and are not prepared to accept the status quo. They are creative thinkers and hard workers. Retail is a challenging environment that means long hours.

The company boasts of nine retail brands with over 700 stores in Southern Africa. EDUCON management has eight pillars on which they focus their attention: culture, company reputation, work environment, learning, compensation, community, employee care and transformational leadership. Their culture is one of inclusiveness, built on the organisation's values of people, integrity, performance and professionalism.

The company also donates clothes, books and general merchandise to communities in need. In future, the company is seeking to achieve further profits through organic structures.

- a) Explicate how EDUCON is organised **(2 marks)**
- b) Explain why EDUCON adapted organic structures? **(8marks)**

QUESTION 2

Define motivation and discuss three (3) indicators of low motivation among employees. **(20 marks)**

QUESTION 3

- a) Contrast four (4 complementary) strengths of management versus leadership. **(8marks)**
- b) Identify and analyse three (3) key traits of an effective leader. **(12marks)**

QUESTION 4

In the furniture business where competition is fierce among rivalling furniture shops, having a good manager who is able to utilize the management functions of planning, directing, co-ordinating and controlling effectively and efficiently to obtain optimum results is vital.

Assuming you are a manager in a furniture shop, discuss how you would utilise each of the above management functions to out-compete your business rivals. **(20marks)**

END OF THE PAPER!