



**MASINDE MULIRO UNIVERSITY OF SCIENCE AND
TECHNOLOGY
(MMUST)**

UNIVERSITY MAIN EXAMINATIONS

2022/2023 ACADEMIC YEAR

FIRST SEMESTER EXAMINATIONS

**FOR THE CERTIFICATE
OF
BUSINESS MANAGEMENT**

COURSE CODE: CBB 102

COURSE TITLE: FUNDAMENTALS OF MANAGEMENT

DATE: TUESDAY, 15TH AUGUST 2023 TIME: 2:00-4:00PM

INSTRUCTIONS TO CANDIDATES

Question one is compulsory. Choose any other two questions.

TIME: 2 HOURS

MMUST observes ZERO tolerance to examination cheating

This Paper Consists of 2 Printed Pages. Please Turn Over.

QUESTION 1

- a.) The Functional Organization is based on grouping individuals into organizational units according to the function they perform. Explain five advantages of functional organization in firms (10marks)
- b.) Describe the management by objectives process (MBO) highlighting its main features (10 marks)
- c.) Explain the main areas that are focused in the decision making function (10marks)

QUESTION 2

- a.) Explain why a healthy organization needs to conduct planning as one of its internal processes. (10 Marks)
- c.) State and explain the principles of the organizing function in organizations? (10 Marks)

QUESTION 3

- a.) Decentralization refers to the systematic effort to delegate to the lowest level of authority except that which can be controlled and exercised at central points. Explain five implications of decentralization (5marks)
- b) Clearly distinguish between authority and responsibility (5 marks)
- c) Briefly explain the following terms (10 marks)
 - i) Delegation
 - ii) Responsibility
 - iii) Centralization
 - iv) Management
 - v) Motivation

QUESTION 4

- a.) Explain seven roles of a manager. (7Marks.)
- b.)As a manager of a particular organization you may need to delegate some of your powers to your subordinates. What elements would you need to consider before delegating these duties? (7Marks)
- c) Outline the demerits of functional organization (6marks)

QUESTION 5

- a) Explain how motivation is advantageous both to the employee and the organization as a whole (15 marks)
- b) Discuss the limitations of the two-factor theory as proposed by Herz-berg. (5marks)