

Name _____

Index No. _____

2381

1906/101

1922/101

FUNDAMENTALS OF MANAGEMENT
AND ENVIRONMENT

July 2014

Time: 3 hours

Candidate's Signature _____

Date _____



THE KENYA NATIONAL EXAMINATIONS COUNCIL

**BUSINESS EDUCATION SINGLE AND GROUP CERTIFICATE EXAMINATIONS
STAGE II
CRAFT CERTIFICATE IN BUSINESS MANAGEMENT
CRAFT CERTIFICATE IN PROJECT MANAGEMENT
MODULE I**

FUNDAMENTALS OF MANAGEMENT AND ENVIRONMENT

3 hours

INSTRUCTIONS TO CANDIDATES

Write your name and index number in the spaces provided above.

Sign and write the date of the examination in the spaces provided above.

This paper consists of TWO sections: A and B.

Answer ALL the questions in section A in the spaces provided in this question paper.

Answer any FOUR questions from section B in the spaces provided in this question paper.

Do NOT remove any pages from this question paper.

Candidates should answer the questions in English.

For Examiner's Use Only

SECTION A

Question	1	2	3	4	5	6	7	8	9	10	TOTAL SCORE
Candidate's Score											

SECTION B

Question	11	12	13	14	15	TOTAL SCORE
Candidate's Score						

GRAND TOTAL

This paper consists of 16 printed pages.

Candidates should check the question paper to ascertain that all the pages are printed as indicated and that no questions are missing.

SECTION A: (32 marks)

Answer ALL the questions in this section in the spaces provided.

1. List **four** economic factors within the environment that are likely to affect the operations of a business organization. (4 marks)

(i) _____

(ii) _____

(iii) _____

(iv) _____

2. State **four** ways in which a business enterprise may benefit from good organization. (4 marks)

(i) _____

(ii) _____

(iii) _____

(iv) _____

3. Outline **three** limitations of applying the trait theory of leadership in an organization. (3 marks)

(i) _____

(ii) _____

(iii) _____

4. Highlight **three** consequences of poor control in an organization. (3 marks)

(i) _____

(ii) _____

(iii) _____

5. Highlight **three** factors that may determine the level of employee salaries in an organization. (3 marks)

(i) _____

(ii) _____

(iii) _____

6. State **three** duties that an office receptionist would be expected to carry out in an organization. (3 marks)

(i) _____

(ii) _____

(iii) _____

7. Outline **three** limitations of using the systems approach to management. (3 marks)

(i) _____

(ii) _____

(iii) _____

8. State **three** roles of a manager in relation to his subordinates in an organization. (3 marks)

(i) _____

(ii) _____

(iii) _____

9. Outline **three** benefits that an organization may get from hiring another company to clean its offices. (3 marks)

(i) _____

(ii) _____

(iii) _____

10. List **three** sources of business ethical standards in an organization. (3 marks)

(i) _____

(ii) _____

(iii) _____

SECTION B: (68 marks)

*Answer any **FOUR** questions from this section.*

11. (a) Highlight **four** functions that the top level management may perform in an organization. (8 marks)
- (b) Explain **six** limitations that may be faced when planning in an organization. (9 marks)
12. (a) Kito Company Limited has decided to introduce a functional organization structure. Explain **six** challenges that the company may experience as a result of introducing the structure. (9 marks)
- (b) Highlight **four** indicators of effective administration in an organization. (8 marks)
13. (a) Outline **four** benefits that may be obtained by an organization that adopts a laissez-faire style of leadership. (8 marks)
- (b) Explain **six** ways in which the use of computers can assist managers in carrying out their duties. (9 marks)
14. (a) Describe the steps that should be followed in the process of control in an organization. (8 marks)
- (b) Highlight **six** benefits that may be obtained by an organization as a result of filing its office documents. (9 marks)
15. (a) Explain **six** reasons that may make it necessary for an organization to carry out human resource planning. (9 marks)
- (b) Explain **four** essential qualities that an effective supervisor should possess. (8 marks)