

3182 2908/303 2920/303 2927/303
2902/303 2909/303 2922/303
2903/303 2912/303 2924/303
2906/303 2913/303 2925/303
2907/303 2918/303 2926/303

**PRINCIPLES AND PRACTICE
OF MANAGEMENT**

July 2023

Time: 3 hours



THE KENYA NATIONAL EXAMINATIONS COUNCIL

**BUSINESS EDUCATION SINGLE AND GROUP CERTIFICATE EXAMINATIONS
STAGE III**

**DIPLOMA IN SUPPLY CHAIN MANAGEMENT
DIPLOMA IN CO-OPERATIVE MANAGEMENT
DIPLOMA IN BUSINESS MANAGEMENT
DIPLOMA IN HUMAN RESOURCE MANAGEMENT
DIPLOMA IN TOURISM MANAGEMENT
DIPLOMA IN TOUR GUIDING MANAGEMENT
DIPLOMA IN INFORMATION COMMUNICATION TECHNOLOGY
DIPLOMA IN PROJECT MANAGEMENT
DIPLOMA IN MARITIME TRANSPORT LOGISTICS
DIPLOMA IN DISASTER MANAGEMENT
DIPLOMA IN SALES AND MARKETING
DIPLOMA IN ROAD TRANSPORT MANAGEMENT
DIPLOMA IN INVESTMENT MANAGEMENT
MODULE III**

PRINCIPLES AND PRACTICE OF MANAGEMENT

3 hours

INSTRUCTIONS TO CANDIDATES

*This paper consists of SEVEN questions.
Answer any FIVE questions in the answer booklet provided.
All questions carry equal marks.
Candidates should answer the questions in English.*

This paper consists of 2 printed pages.

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

1. (a) Describe five indicators of effective management in an organization. (10 marks)
- (b) Outline five benefits of applying the Human Relations Theory in an organization. (10 marks)
2. (a) Explain five challenges that may be encountered when formulating organizational plans. (10 marks)
- (b) Some organizations use committees to make decisions. Outline five advantages of using this strategy. (10 marks)
3. (a) Explain five non-financial incentives that may be used to motivate employees in an organization. (10 marks)
- (b) Explain five ways in which the function of a credit controller enhances debt management in an organization. (10 marks)
4. (a) Explain five benefits that may accrue to an organization from regular training of its employees. (10 marks)
- (b) Multinational corporations operating in developing countries usually face certain challenges. Explain five such challenges. (10 marks)
5. (a) There are certain factors that may limit a firm from engaging in corporate social responsibility. Explain five such factors. (10 marks)
- (b) Highlight five steps that should be followed by managers when making decisions. (10 marks)
6. (a) Explain five reasons that make it necessary for a firm to have a well designed organization structure. (10 marks)
- (b) Explain five ways in which a manager may encourage upward communication in an organization. (10 marks)
7. (a) Many organizations establish salary scales for their employees. Explain five reasons why this is done. (10 marks)
- (b) Strategic planning involves long range foresight and orientation of the organization. Explain the importance of the mission statement in serving this purpose. (10 marks)

THIS IS THE LAST PRINTED PAGE.

3182	2908/303	2920/303	2927/303
2902/303	2909/303	2922/303	
2903/303	2912/303	2924/303	
2906/303	2913/303	2925/303	
2907/303	2918/303	2926/303	