

UNIVERSITY OF ESWATINI
FACULTY OF COMMERCE
DEPARTMENT OF BUSINESS ADMINISTRATION
SPECIAL EXAMINATION PAPER: B.COM, F/T & IDE & B.Ed. STUDENTS
NOVEMBER; 2018

TITLE OF PAPER	:	PRINCIPLES OF MANAGEMENT
COURSE CODE	:	BUS134
TIME ALLOCATED	:	THREE [3] HOURS
TOTAL MARKS	:	100 MARKS

INSTRUCTIONS

1. TOTAL NUMBER OF QUESTIONS IN THIS PAPER IS 5.
2. THE PAPER CONSISTS OF SECTION A AND SECTION B
3. ANSWER THE QUESTION IN SECTION A WHICH IS COMPULSORY AND ANY THREE [3] QUESTIONS IN SECTION B.
4. THE MARKS ALLOCATED FOR A QUESTION/PART OF IT ARE INDICATED AT THE END OF EACH QUESTION/PART OF QUESTION.
5. THIS PAPER MUST NOT BE OPENED UNTIL PERMISSION HAS BEEN GRANTED BY THE INVIGILATOR.

SECTION A : CAREFULLY READ THE CASE STUDY BEFORE YOU ATTEMPT THE CASE STUDY QUESTIONS

CONTINGENCY THEORY

The Contingency theory approach emerged in the 1960s as a rejection of “the one best way” approach previously sought by managers and propounded by academics. Advocates of the Contingency theory approach are of the view that structure and operation of an organisation is dependent (contingent) on the situational variables it faces-the main ones being environment, technology and size (Burnes, 1989)

The Contingency approach can be considered a much more cohesive school of thought than either the Classical or Human Relations approaches. It has three unifying themes as follows:

- There is no one best way for all organisations.
- Organisations are open systems
- Structure is dependent upon the particular circumstances, situational variables, faced by each organisation and
- Chandra(1962)’s famous thesis that **structure follows strategy**

The attraction of Contingency approach was in tune with the times in which it emerged. First, the 1960s and 1970s, was period of rapid economic and technological change, hence the tendency towards much larger organisations, and a significant increase to domestic and international competition. Second, on the surface at least, it was simpler to understand and apply Contingency approach than Human Relations approach. Lastly, whilst rejecting the Classical approach, it was a rational approach, based on matching known structural options to identifiable contingencies-size, technology, environment and strategy.

Contingency approach reintroduced the notion of organisations, and their members, as rational entities. If the various structural options are known and the key situational variables can be identified, then all managers have to do is to adopt the structural form best suited to their circumstances, and success will follow. But like any other theory The Contingency approach has its own weaknesses and criticisms.

CASE STUDY QUESTION

QUESTION 1.

Explain the elements of the contingency theory that the author of the above case has talked about. In your explanation address the effect of each contingent element you have raised on company strategy and eventually the structure. **[Total 25 Marks].**

SECTION B. ANSWER [3] QUESTIONS OF YOUR CHOICE FROM THIS SECTION.

QUESTION 2 Explain the decision making conditions (environments) that managers face and clearly articulate characteristics and attributes of these environments. **[25 Marks]**

QUESTION 3.

With the help of examples, discuss the different types of plans that can be made at each managerial level in the organization **[25 Marks]**

QUESTION 4.

Planning for complex situations can be taxing and complicated. However, effective managers resort to the use of planning tools or planning models. Explain the use of the Boston Consulting Group Matrix Model **[25 Marks]**

QUESTION 4.

a. Write notes on characteristics of an effective control system. **[10 Marks]**

b. Discuss five sources of leadership power **(15 Marks)**