The Management University of Africa

MUA

Sponsored by the Kenya Institute of Management

POSTGRADUATE UNIVERSITY EXAMINATIONS

SCHOOL OF MANAGEMENT AND LEADERSHIP

DEGREE OF MASTER OF BUSINESS ADMINISTRATION

MBA 500: PRACTICE OF MANAGEMENT

DATE: 27TH MARCH 2023

DURATION: 3 HOURS

MAXIMUM MARKS: 60

INSTRUCTIONS:

1. Write your registration number on the answer booklet.
2. **DO NOT** write on this question paper.
3. This paper contains **FOUR** questions.
4. Question **ONE** is compulsory.
5. Answer any other **TWO** questions.
6. Question **ONE** carries **30 MARKS** and the rest carry **15 MARKS** each.
7. **Write all your answers in the Examination answer booklet provided.**

QUESTION ONE

Read the following case study and answer the questions that follow

MULTI CULTURAL ORGANIZATIONS

Research has shown that although different cultures may give rise to different management practices, management theory, concepts and principles remain the same everywhere. Within today's workforce we can observe the extensive use of cross functional, heterogeneous teams designed to produce creative solutions to business problems, and the increased reliance on non-traditional workforce talent. Team work remains are key ingredient to organizational success. This clearly demonstrates that diversity management has become a critical aspect of operating business. Diversity integration requires a long-term commitment and the payback is often not as tangible or predictable as say investing in new product development. However, a competitive edge can be gained by optimizing the people resource of the organization.

A critical challenge for senior management today is to turn cultural diversity into a differentiating advantage in an increasingly competitive global marketplace. Human resource executives must create a clear, compelling business case for diversity, linked to the company's strategic business objectives.

Business reasons for managing diversity include:

Cost savings - higher turnover costs (dissatisfied employees leaving the company), higher absenteeism rates and possible lawsuits on sexual, race and age discrimination.

Winning the competition for talent - companies must attract, retain and promote excellent employees from different demographic groups. Companies cited as the best places to work for women and minorities have reported an increased inflow of applications. 'If we are going to have the best and the brightest to come and help us solve our client solutions, we need people who have perspectives from the very perspectives and vantage points that our clients come from and to have those people and have again the best and the brightest,' Improved marketplace understanding - your

workforce should reflect your consumer base. This 'mimics our very diverse client backgrounds and client markets that we're operating in'.

Enhanced creativity and increased quality of team problem-solving - research shows that heterogeneous teams produce more innovative solutions to problems. Therefore there should be increased emphasis on innovative practices among the employees. Management should encourage innovation.

Societal expectations 'we have some expectations that business and the way business is done is going to have a diverse representation. That's a question that we are asked every time we go to win new business, is- what does our workforce look like?',

A diverse workforce with established customer relationships is an example of such a difficult to imitate resource. A diverse and multicultural workforce can deliver sustainable competitive advantage because it is difficult to imitate, creative and mirrors the marketplace and therefore better able to understand worldwide customer needs. Not only are there economic arguments for the development of a multicultural organization but social arguments suggest that it is the right and responsible way to manage the international organization - in compliance with the CSR principles.

There are however significant costs to manage diversity:

A multicultural organization is both difficult and costly to manage and has the potential for negative outcomes. It is therefore important for international organizations to understand how people from different social and cultural groups behave, interact and perceive the world.

Employees of the international organization and its affiliates must learn to work together productively; furthermore, employees must understand how to do business with entities located throughout their supply chain; the international organization must understand the role of cultural variables in determining how work is carried out in different countries and how their outputs (products and services) may need to be adapted for differing customer tastes worldwide. In short, the international organization and its human resource must learn how to manage difference. With Globalization comes increased mobility for workers and organizations. As a

consequence, many international organizations and their subsidiaries or operating units have become increasingly diverse. To capitalize on diversity benefits and comply with diversity laws whilst minimizing the potential costs, leaders are advised to create multicultural organizations. Many of the associated challenges can be presented as integration and communication problems. Therefore the management of international organizations will require managers who have the ability to know when to act and how to act in order to benefit from the different cultures that are represented in the organization.

Required

a) Explain the challenges you are likely to face when managing a multi-cultural organization. **(4 marks)**

b) Explain how you can overcome the challenges of managing a multi-cultural organization? **(4 marks)**

c) Discuss how corporate culture is shown in an organization like this one **(4 Marks)**

d) Discuss how management is affected by diversity **(4 Marks)**

e) Explain how you can manage diversity successfully in this organization **(4 marks)**

f) Using examples to illustrate your answer explain why you think it is necessary to use teams in managing this organization **(2 marks)**

g) Explain the different types of teams that can help you succeed in managing this organization. Give reasons to support your answers **(3 marks)**

h) If you were appointed as the chief executive officer of this organization, would you centralize or decentralize decision making. Justify your answer **(5 Marks)**

QUESTION TWO

a) Using examples in each case appraise the following leadership Styles **(8 Marks)**

i).Autocratic or Authoritarian Style Leader:

ii).Laissez-faire or Free-rein Style Leader:

b) Assess the concept of planning as used in management clearly highlighting the different types of plans in management **(7 Marks)**

QUESTION THREE

a) Analyze the contribution of Frederick w. Tylor (1856-1915) to modern management theory **(10 Marks)**

b) Briefly discuss the concept of globalization in management **(5 Marks)**

QUESTION FOUR

a) Discuss the factors which are to be taken into consideration in the process of designing of the organizational structure **(9 Marks)**

b) Examine the principles of quality management **(6 Marks)**