

The
Management
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CERTIFICATE UNIVERSITY EXAMINATIONS
SCHOOL OF MANAGEMENT AND LEADERSHIP
CERTIFICATE IN MANAGEMENT AND LEADERSHIP

CML 103 : FOUNDATIONS OF LEADERSHIP

DATE: 27TH JULY 2026

DURATION: 2 HOURS

MAXIMUM MARKS: 70

INSTRUCTIONS:

1. Write your registration number on the answer booklet.
2. **DO NOT** write on this question paper.
3. This paper contains **SIX (6)** questions.
4. Question **ONE** is compulsory.
5. Answer any other **FOUR** questions.
6. Question **ONE** carries **30 MARKS** and the rest carry **10 MARKS** each.

QUESTION ONE

Read the Case Study below carefully and answer the questions that follow

Leadership and Organisational Transformation at Kenya Pawa

Kenya Pawa and Lighting Company (KPLC), commonly known as Kenya Pawa, is a state-owned electricity distribution company that manages the national electricity grid, serving over eight million customers across Kenya. The company operates in a critical infrastructure sector and is responsible for electricity distribution, billing, metering, and customer service. Over the past decade, Kenya Pawa has faced mounting challenges including ageing infrastructure, high system losses, rising operational costs, increasing customer complaints, and the urgent need to embrace digital transformation in order to remain relevant and financially sustainable.

In 2021, the Board of Directors appointed a new Managing Director, Dr. Grace Muthoni, to lead a comprehensive turnaround strategy. Dr. Muthoni came with a strong background in electrical engineering, public sector management, and strategic leadership. Upon joining, she conducted an organisation-wide diagnostic that revealed deep-rooted structural and cultural challenges. Departments operated in silos with poor coordination. Middle managers lacked confidence to make decisions without top-level approval. There was widespread resistance to change among long-serving staff, and morale across the organisation was described as critically low following years of negative media coverage and public criticism.

Dr. Muthoni's first significant action was to restructure the senior leadership team, placing a strong emphasis on competence, integrity, and a willingness to champion change. She articulated a bold new vision: "Pawaing Kenya's future with reliable, affordable, and sustainable energy by 2030." This vision was communicated widely through town hall meetings, internal newsletters, regional manager briefings, and digital communication platforms. She was known for her open-door policy, regularly visiting field teams and distribution substations to understand

frontline challenges first hand. To drive digital transformation, Dr. Muthoni championed the rollout of a smart metering programme across Nairobi and Mombasa. She established cross-functional project teams comprising engineers, IT specialists, finance staff, and customer service managers, deliberately breaking down departmental silos. Employees were encouraged to participate in solution design workshops, and an internal innovation challenge was launched to crowdsource ideas for improving service delivery. Teams that successfully piloted solutions were publicly recognised and rewarded at quarterly all-staff forums.

However, the transformation was not without friction. A section of senior managers felt threatened by the restructuring, and resistance among unionised staff over workload redistribution led to a brief but damaging work slowdown in the Rift Valley region. Dr. Muthoni responded by convening structured dialogue sessions between management and employee representatives. Rather than taking a punitive stance, she engaged the union leadership directly, acknowledged legitimate concerns, and negotiated a phased transition plan that protected existing employment terms while enabling organisational change.

By 2023, Kenya Pawa had registered measurable progress. System losses reduced from 23% to 18%, the smart metering rollout covered 1.2 million customers in pilot regions, customer satisfaction scores improved by 12 percentage points, and staff engagement index increased from 41% to 67%. Dr. Muthoni credited the results not to any single decision, but to the sustained effort to build a culture of accountability, transparency, and shared ownership of the company's mission. She stated publicly: "Leadership is not about having all the answers — it is about creating an environment where your people are emPawaed to find them."

Required:

- a) Identify and explain TWO leadership challenges presented in the case study.

**(5
marks)**

- b)** Discuss the leadership style demonstrated by Dr. Muthoni. Support your answer with specific examples from the case.

(5 marks)

- c) Explain the importance of communication during organisational change, drawing on evidence from the case study.

(5 marks)

- d) Analyse the role of employee involvement in the successful implementation of the digital transformation strategy at Kenya Pawa.

(5 marks)

- e) Recommend TWO additional leadership strategies that Dr. Muthoni could adopt to enhance the long-term success of the transformation initiative.

(5 marks)

- f) Describe Trait Theory of Leadership and explain how it is evident in the character and actions of Dr. Muthoni as portrayed in the case study.

(5 marks)

QUESTION TWO

- a) Elucidate, using a relevant example, the Autocratic style of leadership.

**(2
marks)**

- b)** Describe THREE ethical behaviours that should be demonstrated by leaders in organisations.

(4 marks)

- c) Explain the concept of the 'Glass Ceiling' and discuss how organisations can take steps to break it.

(4 marks)

QUESTION THREE

- a) Explain FIVE behaviours that successful leaders manifest when managing a rapidly growing organisation.

(5 marks)

- b)** Discuss the importance of teamwork in a commercial airline company.

**(5
marks)**

QUESTION FOUR

- a) Describe FOUR characteristics of Transformational Leadership and differentiate it from Transactional Leadership.

(4 marks)

- b) Discuss THREE ways in which a leader can enhance the motivation of employees in a political campaign team.

**(6
marks)**

QUESTION FIVE

- a) Assess the main characteristics of a charismatic leader and explain why charismatic leadership can be both beneficial and risky for an organisation.

**(4
marks)**

- b) Discuss THREE main characteristics of effective teams in a financial services organisation.

(6 marks)

QUESTION SIX

- a) Define the term 'vision' and outline the importance of a well-articulated organisational vision in leadership.

(4 marks)

- b) Discuss the stages of team development using Tuckman's model, with reference to a manufacturing firm.

**(6
marks)**