



## FINAL EXAMINATION

**COURSE : FUNDAMENTALS OF MANAGEMENT**

**COURSE CODE : PMG1123**

**DURATION : 02 HOURS**

### INSTRUCTIONS TO CANDIDATES:

1. This question paper consists of **THREE (3)** parts : PART A (20 questions)  
: PART B (20 questions)  
: PART C (02 questions)
2. Answer ALL questions from PART A and PART B
  - i. Answer PART A in the Objective Answer Sheet.
  - ii. Answer PART B in the True or False Answer Sheet.
  - iii. Answer Part C in the Answer Booklet provided.
3. Please check to make sure that this examination pack consists of:
  - i. The Question Paper
  - ii. An Answer Booklet
  - iii. An Objective Answer Sheet
  - iv. A True or False Answer Sheet
4. Do not bring any material into the examination hall unless permission is given by the invigilator.
5. Please write your answer using a ball-point pen.

**NAME :** \_\_\_\_\_

**ID NO :** \_\_\_\_\_

**LECTURER :** \_\_\_\_\_

**SECTION :** \_\_\_\_\_

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**DO NOT OPEN THE QUESTION PAPER UNTIL YOU ARE TOLD TO DO SO**

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*The question paper consists of 10 printed pages*

**OCT 2024/A/PMG1123**

**PART A: MULTIPLE CHOICE**

Choose the *BEST ANSWER*

1.     **(1 point)**  
The formal arrangement of jobs within an organization refers to \_\_\_\_\_.  
  
A. chain of command  
B. departmentalization  
C. organizational design  
D. organizational structure
  
2.     **(1 point)**  
Grouping jobs on the basis of territory is the types of departmentalization by \_\_\_\_\_.  
  
A. product  
B. process  
C. functional  
D. geographic
  
3.     **(1 point)**  
\_\_\_\_\_ is how standardized an organization's jobs and employee behavior is guided by rules and procedures.  
  
A. Formalization  
B. Centralization  
C. Span of control  
D. Departmentalization
  
4.     **(1 point)**  
An organization which has low departmentalization, wide spans of control, centralized authority and little formalization refers to \_\_\_\_\_ structure.  
  
A. team  
B. simple  
C. divisional  
D. functional
5.     **(1 point)**

\_\_\_\_\_ is the continuous line of authority that extends from upper levels of an organization to the lowest levels of the organization.

- A. Centralization
- B. Decentralization
- C. Span of control
- D. Chain of command

6. **(1 point)**

Which leadership style is characterized by a hands-off approach?

- A. Autocratic
- B. Democratic
- C. Laissez-faire
- D. Transactional

7. **(1 point)**

Which leadership style is used when followers are highly competent and motivated according to Hersey and Blanchard?

- A. Selling
- B. Delegating
- C. Telling
- D. Participating

8. **(1 point)**  
What does McGregor's Theory X suggest about employees?
- A. Employees are inherently responsible and motivated.
  - B. Employees need to be coerced and controlled to perform.
  - C. Employees naturally seek responsibility and can self-direct.
  - D. Employees perform best under laissez-faire leadership.
9. **(1 point)**  
The contingency theory of leadership emphasizes the importance of follower readiness refers to \_\_\_\_\_.
- A. Path-Goal Theory
  - B. Fiedler's Contingency Model
  - C. Situational Leadership Theory
  - D. Leader-Member Exchange Theory
10. **(1 point)**  
\_\_\_\_\_ power is defined as the ability to influence others through expertise, skills, or knowledge.
- A. Legitimate
  - B. Coercive
  - C. Expert
  - D. Reward
11. **(1 point)**  
Which of the following best describes formal communication?
- A. It can be done through social media platforms.
  - B. It involves personal conversations unrelated to work.
  - C. It happens casually and informally between employees.
  - D. It occurs within prescribed organizational work arrangements.

12. **(1 point)**

Which of the following is an example of nonverbal communication?

- A. A manager's facial expressions.
- B. Words spoken during a meeting.
- C. An email detailing project update.
- D. A report outlining financial performance.

13. **(1 point)**

What does "verbal intonation" refer to in communication?

- A. The use of gestures to convey meaning.
- B. The sounds with specific meanings or warnings.
- C. The clothing and physical surroundings that imply status.
- D. The emphasis placed on words or phrases when speaking.

14. **(1 point)**

What is a key characteristic of information overload in communication?

- A. The use of nonverbal signals to enhance message delivery from the sender to the receiver.
- B. The experience of receiving too much information at once, making it hard to process.
- C. The ability to quickly process and understand simple messages from the sender.
- D. The clarity and effectiveness of verbal intonation.

15. **(1 point)**

Which of the following is **NOT** a method for developing negotiation skills?

- A. Research the individual with whom you will be negotiating.
- B. Begin with a positive overture, such as a small concession.
- C. Pay full attention to management offers.
- D. Address problems, not personalities.

16. **(1 point)**  
What is the primary purpose of the controlling function in management?
- A. create and propose.
  - B. provide and develop.
  - C. establish and vision.
  - D. check and correct.
17. **(1 point)**  
Which of the following is a technique used for measuring performance?
- A. Strategic planning
  - B. Sample checking
  - C. Market research
  - D. Employee training
18. **(1 point)**  
What is the purpose of comparing actual performance against established standards?
- A. To create new performance metrics.
  - B. To conduct employee performance reviews.
  - C. To set new standards for future performance.
  - D. To see if performance is right and if changes are needed.
19. **(1 point)**  
Revising the standard involves \_\_\_\_\_.
- A. checking if the standard is realistic and adjusting goals if necessary.
  - B. developing training programs for employees.
  - C. creating new performance metrics.
  - D. setting new project deadlines.
20. **(1 point)**  
Which type of control helps to anticipate problems before they occur?
- A. Financial control
  - B. Feedback control
  - C. Concurrent control
  - D. Feedforward control

**(TOTAL: 20 POINTS)**

**PART B: TRUE/FALSE**

*Indicate whether the statement is true or false.*

1. **(1 point)**  
In a matrix organizational structure, employees report to only one manager, which simplifies communication and decision-making.  
(True / False)
2. **(1 point)**  
A divisional organizational structure organizes employees based on the products or services they work on, rather than their functional expertise.  
(True / False)
3. **(1 point)**  
A functional organizational structure groups employees based on their specialized roles or functions within the company.  
(True / False)
4. **(1 point)**  
A virtual organization relies primarily on digital communication and technology to coordinate activities rather than physical office space.  
(True / False)
5. **(1 point)**  
In a network organization, the focus is on building and maintaining long-term partnerships and collaborations with external organizations.  
(True / False)
6. **(1 point)**  
Legitimate power is derived from a leader's ability to reward others.  
(True / False)
7. **(1 point)**  
Referent power is based on the leader's ability to offer rewards in exchange for compliance.  
(True / False)
8. **(1 point)**  
According to Blake and Mouton's Managerial Grid, 'Country Club Management' emphasizes high concern for people and low concern for production.  
(True / False)

9. **(1 point)**  
In Hersey and Blanchard's Situational Leadership Theory, the 'telling' style is appropriate when followers are highly motivated and capable of performing tasks independently.  
(True / False)
10. **(1 point)**  
Situational Leadership Theory suggests that the effectiveness of a leadership style depends on the readiness level of the followers, which includes their ability and willingness to perform a task.  
(True / False)
11. **(1 point)**  
Informal communication in an organization occurs outside the formal structural hierarchy and includes interactions such as casual conversations in the lunchroom, hallways, or the company wellness facility.  
(True / False)
12. **(1 point)**  
Nonverbal communication exclusively involves written messages and spoken words rather than sounds, images, situational behaviors, and physical surroundings.  
(True / False)
13. **(1 point)**  
If a person interprets messages based only on their own needs and experiences, it indicates that selective perception is influencing how they receive and understand communication.  
(True / False)
14. **(1 point)**  
Networked communication through IT has had little to no effect on organizational and interpersonal communication, as employees still rely primarily on face-to-face interactions and paper-based information.  
(True / False)
15. **(1 point)**  
The Interactionist view of conflict suggests that conflict is always harmful to group performance and should be avoided to ensure effectiveness.  
(True / False)



16. **(1 point)**  
Managers must protect organizational assets by anticipating and addressing threats like natural disasters and security breaches with proactive plans.  
(True / False)
17. **(1 point)**  
When measuring performance through personal observation, it's important to directly interact and ask questions to gather accurate information.  
(True / False)
18. **(1 point)**  
If performance standards are not met, a manager should implement corrective actions without identifying the cause or monitoring their effectiveness.  
(True / False)
19. **(1 point)**  
Assessing variation from a standard means checking if it falls within the acceptable range and considering the size and direction of the deviation.  
(True / False)
20. **(1 point)**  
Feedback control happens before an activity is completed, focusing on predictions without giving managers insights into planning or motivating employees by showing their performance.  
(True / False)

**(TOTAL: 20 POINTS)**

**PART C: STRUCTURED QUESTION**

*Answer all questions.*

**1. (10 points)**

There is a scenario where a person has achieved the highest achievement but is struggling with financial instability. Interpret **FIVE (5)** levels hierarchy of needs by Maslow to overcome the conflict?

**2. (10 points)**

Communication is the process of transferring and exchanging information between people, where the message is understood but not necessarily agreed upon, with interpersonal communication occurring between individuals and organizational communication encompassing all patterns, networks, and systems within an organization.

- a. Illustrate the communication process by creating a diagram that demonstrates how information flows from start to finish within an organization.

(4 points)

- b. Classify any **THREE (3)** functions of communication.

(6 points)

**(TOTAL: 20 POINTS)**

**END OF QUESTION PAPER**