



Private & Confidential

BERJAYA BUSINESS SCHOOL

FINAL EXAMINATION

Student ID (in Figures) :

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Student ID (in Words) : _____

Subject Code & Name : **MGT1513 Fundamentals of Management**
Semester & Year : May – August 2016
Lecturer/Examiner : Ms. Siti Intan Nurdiana Wong bt Abdullah
Duration : 3 Hours

INSTRUCTIONS TO CANDIDATES

1. This question paper consists of 2 parts:
PART A (20 marks) : TWENTY (20) multiple choice questions. Answer ALL questions. Shade your answers in the Multiple Choice Answer Sheet provided.
PART B (80 marks) : TWO (2) Scenarios. Answer ALL questions. Answers are to be written in the Answer Booklet provided.
2. Candidates are not allowed to bring any unauthorized materials except writing equipment into the Examination Hall. Electronic dictionaries are strictly prohibited.
3. This question paper must be submitted along with all used and/or unused rough papers and/or graph paper (if any). Candidates are NOT allowed to take any examination materials out of the examination hall.
4. Only ballpoint pens are allowed to be used in answering the questions, with the exception of multiple choice questions, where 2B pencils are to be used.

WARNING: The University Examination Board (UEB) of BERJAYA University College of Hospitality regards cheating as a most serious offence and will not hesitate to mete out the appropriate punitive actions according to the severity of the offence committed, and in accordance with the clauses stipulated in the Students' Handbook, up to and including expulsion from BERJAYA University College of Hospitality.

Total Number of pages = 7 (Including the cover page)

PART B : SCENARIO-BASED QUESTIONS (80 MARKS)

INSTRUCTION(S) : TWO (2) scenarios. Answer ALL questions. Answers are to be written in the Answer Booklet provided.

Scenario 1: High Goals in Highton Hotels

The Marketing manager of Highton Hotels, Mrs. Brown stepped out of the conference room in a pensive mood after an important meeting with Mr. Black, the CEO. The meeting was attended by the heads of various departments in the company and was convened to discuss the targets for the coming assessment year. Mr. Black had set a terribly high sales target for Mrs. Brown to achieve without consulting her and now she wondered how her team would be able to meet those seemingly impossible goals. This fear was further aggravated by the fact that the productivity levels of employees in the company had been falling. Mrs. Brown was under tremendous pressure from Mr. Black to improve the performance of her team. She also had to deal with the decreasing levels of employees' morale in her 24-member team. As a first step, Mrs. Brown informed her team members about a meeting that she planned to hold the next day. She then drafted a plan of action that she intended to discuss with her team. The next day, Mrs. Brown began the meeting by informing her team members about the corporate meeting she had attended. She then said, "We have a difficult task ahead for this year, and your participation and involvement is essential to achieve the goals". She then invited suggestions from her team members. The meeting then progressed on to setting of individual targets for by each team member as this would help in accomplishing the organisational goals. Specific goals were, therefore, set and agreed upon by all the team members. The team aimed to increase the organisational profits by 18% over the next six months. They sketched out a plan of action to achieve the targets set for the team and decided that they would meet once every two months to monitor their progress.

[Adapted from: www.ciilogistics.com]

- a) Analyze the differences between the leadership styles used by Mr. Black and Mrs. Brown. Describe **TWO (2)** advantages for each of their leadership styles.
(13 marks)
 - b) Mrs. Brown practiced the management by objectives (MBO) while setting goals for her team members. Describe **FOUR (4)** advantages of implementing MBO in organisations.
(8 marks)
 - c) Assuming that Mrs. Brown approaches you to seek for advice on developing her team. Identify and explain to her the **FIVE (5)** stages of team development.
(10 marks)
 - d) Define 'team' and suggest to Mrs. Brown **TWO (2)** methods to shape team behavior.
(9 marks)
- (Total: 40 marks)

Scenario 2: Biased Decision Making at WorldCom

Bernard Ebbers, CEO of the now defunct WorldCom, created a culture of poor decision making. As CEO, Ebbers avoided internal company conflict at all costs, and he ultimately avoided the reality that WorldCom, once the dominant company in the telecommunications industry, was in serious economic trouble. Well-known for his hot temper, Ebber did not like to listen to problems and refuse to empower his employees to make decisions. A 2002 Economist article describes Ebbers as “narrow-minded, stubborn, stingy...Mr. Ebbers was a difficult man to work for.” Growing to over 80,000 employees through multiple acquisitions of other telecom businesses, WorldCom became the overwhelming industry leader. He was resistant to new technology and famously refused to use e-mail to communicate with his employees. However, Ebbers had little regard for long-term plans and avoided making larger strategic decisions. Ebbers made it clear he only wanted to hear good news and then based decisions on this good news. This avoidance of factoring in potential problems during decision making created a company culture that demanded success at all costs.

[Adapted from: Management Principles V.1.1, 2012]

- a) Briefly describe the responsibilities of Ebbers as a top manager. Analyze the scenario above and explain **THREE (3)** management mistakes that Ebber made as the CEO of Worldcom.
(12 marks)
- b) Decision making is a key managerial role. Describe **FOUR (4)** decisional roles that all managers perform.
(8 marks)
- c) Apply and explain the **SIX (6)** steps of decision making process that Ebbers can use to help him to improve WorldCom’s performance.
(12 marks)
- d) Based on the scenario above, Ebbers appear to be resistant to change. Recommend **FOUR (4)** ways to facilitate cultural change in the organisation.
(8 marks)

(Total: 40 marks)

END OF EXAM PAPER