UGANDA INSTITUTE OF INFORMATION AND COMMUNICATIONS TECHNOLOGY
END OF SEMESTER TWO EXAMINATIONS AY 2025/2026

DEPARTMENT	:	ICT
YEAR OF STUDY	:	TWO
PROGRAM	:	ITB
COURSE	:	INDUSTRIAL ORGANISATION & MANAGEMENT
COURSE CODE	:	BSM 2206
DATE	:	TUESDAY 23RD, JUNE, 2026
TIME	:	14:00-17:00 HOURS
DURATION	:	3HOURS

INSTRUCTIONS:

i. This paper consists of **TWO** sections, **SECTION A & B**

ii. Answer **FOUR (4)** Questions in all.

iii. Section A is **COMPULSORY**, Answer any **THREE** questions from **Section B**

iv. Credit will be given for the use of relevant examples and illustrations.

v. Mobile phones are **NOT** allowed in the exam room.

vi. **DO NOT** write anything on this question paper, rough work should be done in the answer booklet and cancelled through.

vii. Start a new number on a new fresh page.

SECTION A: (THIS SECTION IS COMPLSORY)

Question One

Choose the MOST appropriate answer from the following MCQs;

1. Which of the following groups is most likely to be considered an organisation?
   A. Passengers waiting for a taxi at a bus stop
   B. Students sharing examination rumours
   C. Individuals working together under a defined structure to achieve common objectives
   D. Shoppers visiting a supermarket on a public holiday

2. A group of graduates establishes a consultancy firm. They define their mission, recruit staff, create departments and appoint a managing director. Which sequence correctly represents the four common organisational factors involved?
   A. Objectives, People, Structure, Management
   B. Structure, Objectives, People, Management
   C. People, Management, Objectives, Structure
   D. Management, Structure, People, Objectives

3. A bakery produces and sells bread to customers every day throughout the year. Which characteristic of business is most evident?
   A. Regularity or continuity of dealings
   B. Organisational structure
   C. Risk avoidance
   D. Delegation

4. Members of a teachers' association contribute subscriptions to promote their welfare and advocate for improved working conditions. This organisation is primarily a:
   A. Business organisation
   B. Non-profit organisation
   C. Mutual benefit organisation
   D. Public organisation

5. A growing business plans to attract investors and sustain operations beyond the owner's involvement. Which factor is most likely to influence the choice of business ownership?
   A. Availability of office space
   B. Business continuity and ability to raise capital
   C. Employee supervision techniques
   D. Product pricing strategies

6. Following business losses, creditors pursue the owner's personal resources to recover outstanding debts. This situation highlights:
   A. Lack of continuity
   B. Unlimited liability
   C. Limited capital
   D. Sole ownership

7. A newly formed business seeks to minimise future disputes among its owners. Which legal instrument would be most useful?
   A. Business Licence
   B. Certificate of Registration
   C. Partnership Deed
   D. Memorandum of Association

8. Which event would most likely result in the automatic dissolution of a partnership?
   A. Admission of a new partner
   B. Completion of the purpose for which the partnership was formed
   C. Revision of the partnership agreement
   D. Redistribution of profits

9. A company restricts the transfer of its shares and limits membership to a relatively small number of investors. This company is most likely a:
   A. Public limited company
   B. Statutory corporation
   C. Private limited company
   D. Government company

10. A group of entrepreneurs is assessing market opportunities, capital requirements and potential risks before registering a company. Which stage of company formation are they undertaking?
    A. Incorporation
    B. Liquidation
    C. Promotion
    D. Commencement

11. A company's expansion project fails despite having been approved by shareholders. Investigation reveals weaknesses in translating strategic decisions into operational activities. Which group is most likely accountable?
    A. Shareholders
    B. Board of Directors
    C. Company officers
    D. Regulators

12. Which outcome best demonstrates the role of cooperative societies in promoting socio-economic development?
    A. Concentrating wealth among a few individuals
    B. Enhancing collective economic participation and member welfare
    C. Restricting access to financial services
    D. Reducing community involvement in economic activities

13. A beverage company experiences declining sales after consumers shift their preference to healthier products. Which aspect of the business environment is most likely influencing the firm's performance?
    A. Internal environment
    B. Socio-cultural environment
    C. Organisational structure
    D. Production process

14. A firm discovers a defect in one of its products and voluntarily withdraws it from the market before any complaints are received. This action is primarily an example of:
    A. Market competition
    B. Product differentiation
    C. Ethical business conduct
    D. Cost reduction

15. Customer complaints about product quality increase significantly. Management responds by reviewing production procedures, employee training programmes, and customer feedback reports. Which principle is best illustrated?
    A. Business functions are interdependent
    B. Marketing determines all business decisions
    C. Production operates independently of other functions
    D. Financial performance is unrelated to customer satisfaction

16. A company records declining profits despite increasing sales volumes. Management discovers that production costs have risen significantly. Which business functions should primarily work together to address the issue?
    A. Marketing and Human Resource
    B. Finance and Production
    C. Human Resource and Accounting
    D. Marketing and Finance

17. A company's strategic objective is to increase market share. Which combination of functional decisions is most likely to support this objective?
    A. Reducing employee training and increasing borrowing
    B. Improving product quality and strengthening promotion efforts
    C. Increasing supervision and reducing production
    D. Reducing advertising and increasing inventory

18. Which situation best illustrates effective coordination among business functions?
    A. Marketing promises delivery dates without consulting production.
    B. Production increases output without considering customer demand.
    C. Finance, marketing and production jointly evaluate a proposed product launch.
    D. Human resource recruits employees without departmental input.

18. A company implements an Enterprise Resource Planning (ERP) system that connects production, marketing, finance and human resource activities. Which outcome best demonstrates the value of technology in business operations?
    A. Departments operate independently
    B. Decision-making becomes more coordinated and timelier
    C. Managers are no longer required
    D. Business risks are eliminated

19. Management is the process of:
    A. Planning, organising, leading and controlling resources
    B. Selling products only
    C. Buying goods only
    D. Recruiting workers only

20. A manager uses sales data to forecast demand but also relies on experience when deciding how to respond to competitors. This situation suggests that management is:
    A. A science only
    B. An art only
    C. Both an art and a science
    D. Neither an art nor a science

21. A manager can operate specialised equipment, coordinate team efforts and anticipate the long-term effects of business decisions. This ability reflects possession of:
    A. Human skills only
    B. Technical skills only
    C. Conceptual skills only
    D. Technical, human and conceptual skills

22. A manager identifies a business opportunity, gains employee support and allocates resources to exploit it. Which combination of managerial roles and skills is best demonstrated?
    A. Informational role and technical skill
    B. Interpersonal role and human skill
    C. Decisional role supported by conceptual and human skills
    D. Figurehead role supported by technical skill

23. Which management theory argues *that no single management approach is suitable for* all situations?
    A. Scientific theory
    B. Bureaucratic theory
    C. Contingency theory
    D. Administrative theory

24. A company experiences confusion because employees receive conflicting instructions from different supervisors. Which Fayol principle is most likely being violated?
    A. Equity
    B. Unity of Direction
    C. Unity of Command
    D. Remuneration

25. A manager discovers that employees are more motivated when they feel valued and involved in decision-making. This finding is most consistent with the:
    A. Classical School
    B. Human Relations School
    C. Administrative School
    D. Contingency School

26. Before entering a new market, management evaluates opportunities, risks and resource requirements. Which characteristic of planning is most evident?
    A. Planning is future-oriented
    B. Planning is routine
    C. Planning is informal
    D. Planning eliminates risk

27. A manager reviews several suppliers before selecting one that best meets cost and quality requirements. Which stage of decision-making is being demonstrated?
    A. Problem identification
    B. Alternative evaluation
    C. Implementation
    D. Monitoring

28. A company groups employees into finance, marketing and production departments. This arrangement is primarily intended to:
    A. Increase competition among workers
    B. Facilitate coordination & specialization
    C. Eliminate authority
    D. Reduce planning

29. A company forms project teams consisting of members from finance, marketing and production departments. Which organisational arrangement is most evident?
    A. Functional structure
    B. Matrix structure
    C. Line structure
    D. Informal structure

30. Which situation would most likely indicate the existence of an informal organisation?
    A. Employees follow established reporting procedures.
    B. Departments operate according to the organisation chart.
    C. Workplace relationships influence the flow of information and cooperation.
    D. Authority is exercised according to designated position

31. A firm has clear plans, competent employees and a well-defined structure, but performance remains below expectations. Which conclusion is most appropriate?
    A. Planning is ineffective.
    B. Organising is ineffective.
    C. The control system is ineffective.
    D. Staffing is ineffective

32. Which situation best demonstrates the complementary relationship between staffing and motivation?
    A. Recruiting qualified employees and creating conditions that encourage high performance.
    B. Recruiting qualified employees and reducing supervision.
    C. Increasing salaries without evaluating employee competence.
    D. Filling vacancies quickly regardless of employee suitability

33. A project manager consults employees on routine matters but takes unilateral decisions during crises. This behaviour suggests that effective leadership:
    A. Requires a single leadership style.
    B. Depends on adapting style to circumstances.
    C. Eliminates employee participation.
    D. Relies solely on formal authority.

34. A newly recruited employee quickly adopts the values and work practices commonly followed by existing staff. This situation best demonstrates the influence of:
    A. Organisational culture
    B. Organisational structure
    C. Delegation
    D. Staffing

35. Despite having skilled employees, a firm's performance declines because of poor workplace relationships and low cooperation. Which area requires the greatest management attention?
    A. Organisational behaviour
    B. Project planning
    C. Financial control
    D. Product development

36. During a major organisational change, a manager remains calm, addresses employee concerns and helps staff adapt to new procedures. Which competency is most evident?
    A. Technical expertise
    B. Emotional intelligence
    C. Delegation
    D. Centralisation

37. A manager consistently meets deadlines, prioritises activities and remains productive despite competing demands. Which skill is most responsible for this effectiveness?
    A. Time management
    B. Organisational culture
    C. Staffing
    D. Delegation

38. Before requesting funding, an NGO conducts a needs assessment to determine whether a proposed intervention is necessary. This activity primarily supports:
    A. Project justification
    B. Project closure
    C. Project control
    D. Project staffing

39. A manager notices recurring misunderstandings between departments despite clearly defined responsibilities. Which managerial action is most likely to improve organisational effectiveness?
A. Increase employee workload.
B. Strengthen communication channels.
C. Reduce departmental autonomy.
D. Revise performance targets.

40. A partner who is not actually involved in the partnership but lends his name for public relations purposes is a:
A. Silent partner.
B. General partner.
C. Nominal partner.
D. Dominant partner.

SECTION B (Attempt only three (3) questions from this section)

Question Two

A fast-growing agribusiness enterprise has transformed from a small local operation into a regional business serving multiple markets. The owners intend to attract additional investment, strengthen governance structures, reduce operational risks, and increase participation of key stakeholders involved in the value chain. However, different stakeholders have conflicting views regarding ownership, control, profit distribution, and long-term sustainability. As a business management consultant hired by the enterprise, prepare a professional advisory report.

Required:

a) Diagnose any four **(4)** business structure challenges facing the enterprise. **(04 Marks)**
b) Discuss how different forms of business that can help the enterprise overcome its challenges and achieve future growth. **(06 Marks)**
c) Analyse any three **(3)** factors likely to influence the choice of an appropriate business form in this situation. **(06 Marks)**
d) Recommend and justify the most suitable business form for achieving sustainable growth and stakeholder satisfaction. **(04 Marks)**

Question Three

BabiTech Electronics Ltd. sells computers, mobile phones, and related accessories in a monopolistic competition market structure. The company operates in a dynamic business environment characterised by changing customer preferences, government regulations, technological advancements, and increasing competition, which are affecting its sales performance. The business also interacts with key stakeholders, including customers, employees, suppliers, shareholders, government agencies, and the local community, whose interests influence business decisions. To remain competitive, management is reviewing its business environment, stakeholder relationships, and market position. As an Information Technology Business graduate, you have been requested to advise the management.

Required

a) Advise the management on how an understanding of the business environment can enhance the competitiveness and performance of BabiTech Electronics Ltd. **(08 Marks)**
b) Identify and assess the influence of four **(04)** stakeholders mentioned in the scenario on the success of the business **(08 Marks)**
c) Recommend appropriate strategies that BabiTech Electronics Ltd. can adopt to remain competitive. **(04 Marks)**

Question Four

A software development company has secured several large contracts and plans to expand its operations. Management is concerned about meeting project deadlines, attracting skilled employees, increasing market share, and securing adequate funding for growth. As a hired business consultant, guide how the company can achieve its growth objectives.

a) What any three **(3)** actions would you recommend to help the company improve efficiency and deliver software projects successfully? **(06 Marks)**

b) What four **(4)** human resource actions would you recommend to help the company improve workforce and organisational performance success.? **(04 Marks)**

c) Propose and explain three **(3)** strategies that the company can use to attract new customers, retain existing customers, and remain competitive in the market. **(06 Marks)**

d) Recommend four **(4)** financial management measures that would enable the organisation to support its expansion plans and strengthen its competitive position. **(04 Marks)**

Question Five

A newly appointed Chief Executive Officer has observed that poor coordination, weak communication, ineffective supervision, and delayed decision-making are affecting organisational performance. To address these challenges, the organisation plans to strengthen its management practices and improve accountability at all levels. **Required:**

a) Assess any three **(3)** ways how effective management can help the organisation overcome its current challenges and improve performance. **(04 Marks)**

b) Noting that organisation operates at strategic, middle, and operational levels, explain the management skills that would be most important at each level and why. **(06 Marks)**

c) Examine three **(3)** key the managerial roles that should be prioritised to improve communication, coordination, and decision-making within the organisation. **(06 Marks)**

d) Drawing on your understanding of management, explain why management is regarded as both a science and an art in achieving organisational success. **(04 Marks)**

Question Six

A growing event management company has expanded its operations to several regions. However, employees are unclear about their responsibilities and reporting lines, while managers face challenges related to workload and decision-making authority. Management plans to reorganise the company to improve efficiency and coordination. As a management consultant, advise the company on how it can improve its organisational effectiveness;

a) Identify and explain three **(3)** organisational problems that the company should address to support its growth. **(06 Marks)**

b) Recommend three **(3)** organising practices that management should implement to improve coordination and efficiency. **(06 Marks)**

c) What organisational structure would you propose for the company and how would it contribute to organisational success? **(04 Marks)**

d) Advise management on how effective delegation of authority can improve organisational performance. **(04 Marks)**

Question Seven

Kafulu Digital Solutions Ltd. is a growing technology company that provides software and IT support services to businesses. Recently, the company has experienced several challenges. Employees from different departments rarely collaborate, leading to misunderstandings and conflicts. Some staff members struggle to manage their emotions when dealing with customers and colleagues, resulting in poor teamwork and low morale. The company manager has also noticed that employees often miss deadlines because they fail to prioritize tasks effectively and experience high levels of stress during peak work periods. In response, the manager plans to introduce initiatives that will improve organizational

culture, teamwork, emotional intelligence, critical thinking, stress management, and time management among employees. As an Information Technology Business graduate, you have been invited to advise the company on how to improve its work environment and employee performance.

a) Advise the management on four **(04)** aspects of organizational culture that should be strengthened to improve teamwork, employee relations, and overall performance at Kafulu Digital Solutions Ltd. **(04 Marks)**

b) Identify and explain four **(04)** characteristics of organizational behavior demonstrated in the scenario. **(04 Marks)**

c) Discuss how emotional intelligence and critical thinking can help employees resolve the challenges faced by the company. **(04 Marks)**

d) Assess the importance of effective teamwork in addressing the collaboration and performance challenges faced by Kafulu Digital Solutions Ltd. **(04 Mark)**

e) Recommend four **(4)** managerial effectiveness skills that employees should develop to improve productivity, reduce stress, and meet deadlines. **(04 Marks)**

*****Good Luck*****