BUS2233: BUSINESS LEADERSHIP II ONLINE EXAM

DATE: APRIL 2026 TIME:

ANSWER QUESTION ONE AND ANY OTHER THREE QUESTIONS

QUESTION 1 COMPULSORY (30 MARKS)

(a) Discuss **TWO** sources of power and how they can influence leadership effectiveness. **(4 Marks)**

(b) Explain **THREE** challenges that may be faced by followers in an organization. **(6 Marks)**

(c) Tamu Foods operates in the agricultural processing industry. Recently, the government introduced strict food safety regulations, and new competitors have entered the market offering cheaper products. Sales have dropped significantly.

(i) Discuss **TWO** external environmental factors that has affected Tamu Foods. **(4 Marks)**

(ii) Explain how government regulations can affect an organization. **(4 Marks)**

(iii) Outline **TWO** strategies that Tamu Foods can use to survive in this environment. **(2 Marks)**

(d) The Kingdom of God church receives significant donations but has limited programs to reach the community. The church board is unsure whether to invest in expanding programs or save funds for future emergencies. The pastor emphasizes the importance of stewardship and leading the congregation by example in giving and ethical use of resources.

(i) Identify the stewardship dilemma in this case. **(2 Marks)**

(ii) Suggest **TWO** spiritual leadership principles the pastor can use to guide the board. **(4 Marks)**

(iii) Recommend **TWO** practical action plans that the church can use to balance stewardship and spiritual leadership. **(4 Marks)**

QUESTION 2 ***(10 MARKS)***

(a) Outline **FOUR** functions of organizational culture. **(4 Marks)**

(b) A manufacturing company receives customer complaints about delayed deliveries. Management reviews the feedback and restructures the production schedule, leading to faster delivery times.

(i) Describe the type of system illustrated in the case study. **(1 Mark)**

(ii) Explain the role of feedback in the system. **(1 Mark)**

(iii) Explain **TWO** ways feedback improves system performance. **(4 Marks)**

QUESTION 3 ***(10 MARKS)***

(a) Outline **FOUR** principles of corporate governance. **(4 Marks)**

(b) Read the case study below and answer the questions

Declining Commitment at Sunrise Manufacturing Ltd

Sunrise Manufacturing Ltd has experienced high employee turnover, low morale, and frequent absenteeism over the last two years. Employees complain that management does not recognize their efforts, promotions are unfair, and communication is poor. Many skilled workers are leaving for competitors despite similar pay levels.

(i) Identify **TWO** types of organizational commitment that are lacking at Sunrise Manufacturing. **(2 Marks)**

(ii) Explain how management practices have contributed to low commitment in Sunrise Manufacturing Ltd.

(2 Marks)

(iii) Suggest **TWO** strategies management can use to improve organizational commitment. **(2 Marks)**

QUESTION 4 ***(10 MARKS)***

(a) Explain **TWO** types of organizational commitment. **(4 Marks)**

(b) XYZ Ltd is a Kenyan tech company facing stiff competition from international firms. The CEO notices that innovation is slow, employees lack motivation, and the company is losing market share.

(i) Identify **TWO** strategic leadership issues in XYZ Ltd. **(2 Marks)**

(ii) Suggest **TWO** strategic leadership approaches that can be used to address these issues. **(2 Marks)**

(iii) Explain **TWO** ways as to how strategic leadership can improve XYZ Ltd's performance. **(2 Marks)**

QUESTION 5 ***(10 MARKS)***

(a) Zilitek Limited is experiencing low employee morale and high turnover. The CEO wants to implement an organizational development program to address these issues.

(i) Outline **TWO** organizational development interventions that you would recommend to the management of the company.
(2 Marks)

(ii) Explain how the leadership can ensure the success of these interventions. **(2 Marks)**

(b) XYZ Ltd, a publicly listed company, recently faced a scandal when it was discovered that top executives were inflating financial results to increase bonuses. Shareholders lost confidence, and the company's stock price fell by 40%.

(i) Identify **TWO** corporate governance issues present in this case. **(2 Marks)**

(ii) Suggest **TWO** measures that XYZ Ltd can implement to improve corporate governance.

(4 Marks)

End of Exam