



JARAMOGI OGINGA ODINGA UNIVERSITY OF SCIENCE AND TECHNOLOGY

SCHOOL OF BUSINESS & ECONOMICS

UNIVERSITY EXAMINATION FOR UNDERGRADUATES

4th YEAR 2nd SEMESTER 2022 ACADEMIC YEAR

SEPTEMBER -DECEMBER 2022

MAIN CAMPUS

COURSE CODE: BAB 9409

COURSE TITLE: PUBLIC SECTOR MANAGEMENT

EXAM VENUE:

DATE: 07/12/2022

EXAM SESSION: 9.00-11.00AM

DURATION: 2 HOURS

INSTRUCTIONS

1. This paper is divided into THREE sections:
 - a. Section A: Thirty (30) Compulsory multiple choice questions. Select and write in your answer sheet either A, B, C or D
 - b. Section B: There are four (4) questions. Attempt ALL questions.
 - c. Section C: There are three (3) questions. Attempt Two (2) questions.
3. The marks shown against the requirement(s) for each question should be taken as an indication of the expected length and depth of the answer.
4. All workings must be done in the answer booklet.

SECTION A (COMPULSORY) (30 marks) Each question carries One (1) mark. Select and write in your answer sheet either A, B, C or D

1. What is the guiding principle behind New Public Management?

- A. Profit maximization
- B. Introducing private sector business principles into the public sector
- C. Replacing public management with private sector management
- D. Restructuring public organisations

2. Public administration is the most significant component of the government machinery of the state and can be defined as:

- A. Bureaucratic
- B. Politically neutral
- C. Being associated with private groups
- D. Having a legislative function

3. Public corporation is the innovation of 20th century. The basic features are:

- A. Public corporation is a corporation by courtesy
- B. It is created for particular purpose.
- C. It is the result of Government's entry into business.
- D. It has virtue of business management

4. The scope of public administration has changed over the years to take into account:

- A. maintaining law and order
- B. providing more services and amenities
- C. collecting revenue and taxes
- D. dispensing justices

5. The funding of which of the following enterprises comes directly from the government treasury, is under an annual appropriation from the budget of the government, and the revenue earned by it is also paid into the treasury?

- A. Departmental undertaking
- B. Statutory corporation
- C. Government company
- D. Cooperatives

6. The forms of organisation which a public enterprise may take are _____.

- i. Departmental undertaking
- ii. Cooperative
- iii. Statutory corporation
- iv. Government company

- A. Only i, ii and iii
- B. Only i, iii and iv
- C. Only ii, iii and iv
- D. Only i, ii and iv

7. Which of the following has the power of the government and the considerable amount of operating flexibility of private enterprises?

- A. Departmental Undertakings
- B. Statutory Corporations
- C. Government companies
- D. All of the above

8. Which of the following roles are played by the public sector in the economy?

- i. Regional balance
- ii. Economies of scale

- iii. Check over-concentration of economic power
- iv. Import substitution
- v. Development of infrastructure

- A. Only i, iii, iv, and v
- B. Only i, ii, iii, and v
- C. Only ii, iii, iv, and v
- D. All of these

9. Which of the following is true about statutory corporations?

- A. Statutory corporations are public enterprises that come into existence by a special act of the parliament
- B. Statutory corporations are subject to the same accounting and audit procedures as are applicable to government departments
- C. Statutory enterprises are funded directly by the government treasury
- D. The employees of statutory enterprises are civil servants

10. A government company is any company in which the paid-up capital held by the government is not less than _____.

- A. 49 percent
- B. 51 percent
- C. 50 percent
- D. 25 percent

11. Which statement is correct for the New Public administration?

- A. is carried out for the public interest
- B. it has a market orientation
- C. it focuses on performance appraisal
- D. it supports managerial autonomy

12. What are the three components that comprise publicness and privateness in society?

- A. Administration, management and organization
- B. Agency, access, interest
- C. Execution, regulation and structure
- D. Bureaucracy, consistency and budget

13. What is covered by the performance budget?

- A. Input
- B. Output
- C. Both Input and Output
- D. Neither Input nor Output

14. Which of the following is not a difference between a public and a private limited company?

- A. the name of a public company must end in “public limited company” or “plc,” while the name of a private company (other than an unlimited company) ends in “limited” or “Ltd”
- B. a public company must have at least two directors while a private company only needs one
- C. a public company has to have a minimum issued share capital of Kshs500,000, whereas a private company does not, provided it issues at least one share
- D. **a public company must have its shares listed on the Stock Exchange, whereas a private company does not**

15. Administrative accountability is established in government organizations by:

- A. Executive
- B. Legislature
- C. Judiciary
- D. All the three above

16. Which one of the following is not a characteristic of a government company?

- A. It has an audit board of its own
- B. It is a body corporate

- C. It is owned by the State
- D. Its employees are not civil servants

17. Which of the following is a feature of good governance?

- A. Accountability
- B. Transparency
- C. Rule of law
- D. All of these

18. The study of government decision making, the analysis of the policies themselves, the various inputs that have produced them, and the inputs necessary to produce alternative policies is called

- A. Public administration
- B. Administration of Authority
- C. Property administration
- D. Administrative Capacity

19. Public administration refers to:

- A. A process
- B. A discipline
- C. A field of study
- D. All of these

20. Public corporations have been created with the objective of:

- A. Increased profits
- B. Handling large scale projects
- C. Creating various job opportunities
- D. Operational flexibility and autonomy

21. If a public servant imposes upon the citizens duties and obligations which are not required by law, it can lead to

- A. Error of law
- B. Abuse of power
- C. Error of authority
- D. Error of fact finding

22. New Public Management emphasizes the following for reforming public sectors.

- A. Efficiency
- B. Economy
- C. Effectiveness
- D. All of the above

23. The interference of the government in the day to day working is the highest in the case of

- A. Departmental undertaking
- B. Government Company
- C. Statutory Corporation
- D. None of the above

24. The Public Corporation is

- A. Accountable to Finance Ministry only
- B. Partially accountable to Parliament
- C. Not accountable to Parliament
- D. Accountable to Parliament

25. Which one of the following is not a pattern of management of Public Enterprises in Kenya?

- A. Department
- B. Public Corporation

- C. Joint Company
- D. Operating Contract

26. Which of the following is not true of Audit in Kenya?

- A. It is Constitutional obligation
- B. It looks into the question of merits of expenditure
- C. It investigates into the impropriety, wastefulness or extravagance of expenditure
- D. It is governed by an executive order

27. The connection between the politics and public administration is:

- A. Politics seeks to deal controversial issues and public administration is the means whereby decisions are implemented.
- B. Politicians and administrators do not share unique partnership.
- C. Public administrator indulges in party politics.
- D. Administrators having strong political conviction, they cannot pursue a career of public servant

28. A budget is essentially a statement of:

- A. Identification of targets to be achieved.
- B. Surplus or deficit of the previous budget.
- C. Estimated revenue and expenditure over a period of time.
- D. Allocation of funds in various heads of expenditure.

29. Critics of government, including politicians and some media, portray public sector employees as

- A. Overpaid and underworked
- B. Overpaid and overworked
- C. Underpaid and overworked
- D. Underpaid and underworked

30. Public servants find meaning in their work in making

- A. a minimal difference in the lives of the citizens they serve
- B. a positive difference in the activities of the citizens they serve
- C. a positive difference in the lives of the customers they serve
- D. a small difference in the activities of the citizens they serve

SECTION TWO (ANSWER ALL QUESTIONS) (20 marks)

a. Compare and contrast a private sector company with a public sector organization in the following five (5) areas:

- i. Ownership and control. (2 marks)
- ii. Source of finance. (2 marks)
- iii. Legal and regulatory environments. (2 marks)
- iv. Organizational objectives. (2 marks)
- v. Importance of corporate social responsibilities. (2 marks) **(Total 10**

marks)

b. Briefly explain any five (5) factors that influence the decentralization of a government system. **(5 marks)**

c. Discuss five (5) characteristics of effective public managers. provide examples. **(5 marks)**

SECTION THREE (CHOOSE ANY TWO QUESTIONS) (20 marks)

QUESTION ONE

a. Explain the role of budgeting in the public sector, outlining the various outcomes that effective budgeting can achieve. **(5 marks)**

b. Citing viable examples explain the advantages of privatization of public enterprises**(5 marks)**

QUESTION THREE

a. Discuss the effects of commercialization on public enterprises in Kenya. Cite examples. **(5 marks)**

b. Using relevant examples identify and discuss five (5) ways by which parliament controls public corporations. **(5 marks)**

QUESTION THREE

You are a consultant in public financial management. You are one of the four (4) consultants invited to present a paper at a workshop for public service workers sponsored by the World Bank. The objective of the workshop is to enhance performance management in the public sector and to discuss the ongoing public sector financial management reforms. You have been specifically asked to cover the factors impacting on public sector financial management and the indicators of performance management in the public sector. Required: Prepare a draft paper in summary form to be used as part of your presentation covering the following:

a. Explanation of the five types of performance indicators in the public sector. **(5 marks)**

b. Explanation of the five factors influencing public sector financial management reforms in Kenya. **(5 marks)**